

## Mining and Natural Resources Law

August 23, 2012

### SEC Adopts Final Rules On Government Payments by Resource Extraction Issuers and “Conflict Minerals”

Yesterday, the U.S. Securities and Exchange Commission narrowly adopted proposed rules relating to government payments by resource extraction issuers and “conflict minerals”. The new rules apply to all SEC-reporting companies, including Canadian companies with securities listed on a U.S. stock exchange.

#### Government Payments by Resource Extraction Issuers

Starting with fiscal years ending after September 30, 2012, all SEC-reporting companies engaged in the commercial development of oil, natural gas or minerals must disclose certain payments to the U.S. government or any foreign government in excess of \$100,000 that are made to further the commercial development of oil, natural gas, or minerals. The kinds of payments that must be disclosed include taxes, royalties, fees (including license fees, production entitlements, bonuses, dividends and infrastructure improvement).

A copy of the SEC’s adopting release for the resource extraction issuer disclosure rules can be found [at this link](#) and a copy of the press release issued by the SEC regarding the rules can be found [at this link](#).

#### “Conflict Minerals” Disclosure

Starting on May 31, 2014, and on or before May 31 of every year thereafter, all SEC-reporting issuers must disclose, in respect of the previous calendar year, whether they used any “conflict minerals” (including gold, cassiterite, coltan, tin, tantalum and tungsten) in their products or any other minerals or derivatives determined by

the U.S. Secretary of State to be financing conflict in the Democratic Republic of the Congo or adjoining countries.

A copy of the SEC’s adopting release for the conflict minerals rules can be found [at this link](#) and a copy of the press release issued by the SEC regarding the rules can be found [at this link](#).

Please contact any member of our Mining and Natural Resources Group to discuss these new rules.