

Goodmans^{LLP} Update

OSC Launches Pre-Filing Review of Mining Technical Disclosure in Short Form Prospectus Offerings

Effective immediately, the Ontario Securities Commission (OSC) announced through [OSC Staff Notice 43-706 – Pre-Filing Review of Mining Technical Disclosure](#) that reporting issuers in the mining industry can now request a pre-filing review of public mining technical disclosure before filing a preliminary short form prospectus. Pre-filing reviews of mining technical disclosure provide reporting issuers an opportunity to address any concerns with their technical disclosure before filing a preliminary short form prospectus, thereby avoiding unnecessary delays in what is already a short timeline during short form prospectus offerings.

In connection with the new pre-filing review, OSC Director of Corporate Finance, Sonny Randhawa, stated “this initiative will provide greater deal certainty to Ontario mining issuers, helping them avoid potentially costly and disruptive delays in the offering process”.

Background

This initiative is a part of the OSC’s overall effort to reduce regulatory burden for reporting issuers. On January 14, 2019, the OSC launched stakeholder consultations and published [OSC Staff Notice 11-784 – Burden Reduction](#), welcoming suggestions by stakeholders on ways to reduce unnecessary regulatory burden. Through that process, stakeholders in the mining industry raised the possibility of delays and uncertainty in connection with short form prospectus offerings caused by potential issues with their technical disclosure.

In light of this concern, and recognizing that mining issuers represent the largest population of Ontario head office reporting issuers, the OSC decided to make available a pre-filing review of publicly filed technical disclosure for mining reporting issuers before a preliminary short form prospectus is filed. This allows any material comments to be resolved promptly and expedites the prospectus review process.

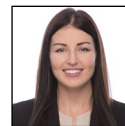
Pre-Filing Review of Mining Technical Disclosure – The Process

Applications for pre-filing reviews can now be submitted as a prospectus pre-filing application through the [OSC’s electronic filings portal](#) and should be made at least 10 days before the anticipated filing date of the preliminary short form prospectus. In the application, the reporting issuer should (i) confirm it is eligible to file a short form prospectus; (ii) include a list of its material mineral properties and associated current technical reports; and (iii) indicate the anticipated timing for filing the short form prospectus.

Once it receives the application, the OSC will advise the issuer of the expected timing for review, which will depend on various factors, including the issuer’s current disclosure and the volume of prospectus and pre-filing reviews before the OSC at that time. OSC staff will review the reporting issuer’s technical disclosure in documents previously filed on SEDAR and disclosure on the issuer’s website, including current annual information forms, news releases and material change reports, current technical reports, and investor presentations. The scope of the OSC’s review will be focused on material issues that could affect the reporting issuer’s ability to obtain a receipt for a short form prospectus on a timely basis.

For further information on this initiative, please contact any member of our [Mining and Natural Resources Group](#).

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