

CSA Staff Notice 43-306

Technical reports filed for prospectus offerings

Purpose

Staff of the Canadian Securities Administrators (the CSA or we) are giving notice of a planned change in the administrative practices related to:

- public access to technical reports and related materials filed with preliminary prospectuses, and
- the technical materials an issuer must file before a member of the CSA will issue a receipt for a preliminary prospectus.

Background

National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101) requires mining issuers to file in specified circumstances technical reports prepared and certified by qualified persons (QPs).

Public access to technical reports

Canadian securities legislation requires CSA members to make filed documents publicly available. For documents filed on SEDAR, we generally provide public access on sedar.com. However, as a matter of practice, we have not made the technical reports filed with a preliminary prospectus publicly available on SEDAR until after we issue a receipt for the final prospectus. For all preliminary prospectus filings on and after **July 1, 2006**, we will make these technical reports (and the QPs' certificates and consents) publicly available on SEDAR at the same time we make the preliminary prospectus public. Generally, that will be immediately after filing. Issuers may apply to have these documents kept confidential but we would only grant this request in exceptional circumstances.

Filing of technical reports, QP certificates and consents

If an issuer's filing of a preliminary prospectus triggers a requirement for the issuer to file a technical report, subsection 4.2(4) of NI 43-101 requires the issuer to file the technical report at the same time it files the preliminary prospectus. Part 8 of NI 43-101 requires the issuer to also file a certificate and consent of each QP responsible for preparing or supervising the preparation of each portion of the technical report. As a matter of practice, we have not always required the issuer to file all technical documents (particularly the certificates and consents) before we would issue a receipt for the preliminary prospectus. However, effective immediately, we will generally not issue a receipt for the preliminary prospectus until the issuer files these required documents.

If an issuer files an amended technical report between the filing of the preliminary and final prospectus, NI 43-101 requires the issuer to file new QP certificates and consents with the amended technical report.

Consents of experts in connection with final prospectuses

Prospectus rules require an issuer to file with its final prospectus consents of experts. The rules apply in specific circumstances and require the consents to contain specific language. These requirements are separate from the consent requirements for QPs, contained in NI 43-101. The

consents of a QP filed with a final prospectus must meet the requirements of the prospectus rules and NI 43-101.

Questions

If you have comments on the changes described above, please send them to us by June 16, 2006. Please direct any questions to any of the people listed below:

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