



March 1, 2011

The Honorable Mary L. Schapiro
Chairman
U.S. Securities and Exchange Commission
100F Street, NE
Washington, DC 20549-1090

Re.: Comments to SEC Proposed Rule on Conflict Minerals (File number S7-40-10)

Dear Chairman Shapiro,

We are writing to you to submit our comments to the Securities and Exchange Commissions proposed rule on Conflict Minerals.

As a major consumer of tungsten concentrate and recycled tungsten containing scrap, Global Tungsten & Powders Corp. (GTP) will naturally be affected by any rules and regulation related to tungsten containing minerals, such as the proposed ruling on Conflict Minerals.

As a private company GTP is not subject to the SEC ruling, however, GTP fully supports the efforts put forward by the SEC to stop the violence and human rights abuse in the Democratic Republic of the Congo and surrounding areas . The proposed ruling is fully in line with GTP's Supplier Policy where we expect all our suppliers to adhere to our Code of Conduct including ethical behavior and good corporate governance. The following requirements are applicable to all our suppliers:

- Respect for human rights and shared commitment to the Code of Conduct
- Refrain from purchasing or using any "conflict minerals"
- Comply with all applicable trade and commerce laws
- Cooperate with requests to verify compliance with the Code of Conduct including material origin and chain of custody.

Global Tungsten & Powders
Hawes Street
Towanda, PA 18848-0504
www.globallungsten.com
Telephone (570) 268-5000
Fax (570) 268-5157

Although the general ruling is fully in line with our company policy, we have concerns related to some of the topics under the ruling and would like to make the following recommendations to the rule:

To GTP it is a concern that because the tungsten containing mineral wolframite is produced in the Conflict Region, wolframite has now become a Conflict Mineral. Technically, wolframite should be referred to as a mineral that is affected by the Conflict Region. At this stage it is probably unrealistic to change this concept. However, to ensure that the rule does not affect minerals that are not present in the region, we would like to see a more precise definition of "their derivatives". Since tungsten is naturally present in several minerals among which wolframite is the only one found in the Conflict Region we need to ensure that other tungsten minerals such as scheelite are not included under the rule. By ensuring that only minerals that actually naturally occur in the Conflict Region are affected by the ruling more effort can be put towards reducing and hopefully eventually eliminate these minerals from exiting the Conflict Region.

With respect to when the ruling should take effect, we suggest that the Rule should be effective for all Conflict Minerals produced on or after the date where the rules are adapted. Related to the timing, we furthermore suggest that all stockpiles of a date prior to the adopted date, whether they be held by companies, governments, or government agencies such as the Defense Logistics Agency (DLA) should be exempt from the rules.

In the ruling, there is a referral to whether scrap should be included under the rule of Conflict Minerals, and GTP strongly recommends that scrap is made exempt. We see several reasons why scrap should not be included. First, if a strong effort under this rule is put towards preventing minerals from the Conflict Region from entering into the production of materials and if the rule is as effective as we hope, no scrap should eventually contain minerals from the Conflict Region. Second, it is as also suggested by others that it is difficult, if not impossible, to track the source of scrap back to the mineral; thus, efforts used on this task may be in vain and the resources used could be spent much more efficiently. Finally, if this rule was to include scrap it may cause a disincentive in this country to recycle and that would work against many good incentives on preservation of natural resources. Furthermore, if scrap was to be exempt from the rule it would lead to further incentives for recycling as this would be considered a Conflict Free material under the rule. We recommend that the definition of "scrap" is carefully defined so that it cannot be used for any material that has been produced from a mineral, but it has to have been through a cycle of production and application. If the term is not carefully defined, it may lead to ways for minerals from the Conflict Region to enter the market.

To ensure maximum impact on the illegal actions in the Conflict Region and minimum impact on legal manufacturers of conflict minerals, it would be advisable to put maximum effort under the rules on tracing the production of conflict minerals from the Conflict Region. Thus, a certification of a mine, mineral processing facility or smelter through an independent auditing could reduce the need to audit further down the supply chain. This would mean that an issuer should be able to reasonable rely on representation from their processing facilities through their suppliers. Thus, related to the question of whether a mine constitutes "manufacturing", we strongly believe it does and as such should be subject to the rules.

With respect to disclosure of the origin of Conflict Minerals that do not originate in the DRC countries, it should not be necessary for a company to reveal the country of origin of these minerals. If a requirement on the origin of Conflict Minerals of non DRC origin was to be included, maybe a reasonable country of origin could be reflected in region of origin (e.g., continent) instead of country. For many manufacturing companies it is for competitive reasons necessary to be able to limit the information on the precise origin of their raw materials. If companies in the US are required to provide such information it would put US companies at a disadvantage relative to foreign companies.

I hope the above information will be useful for the U.S. Securities and Exchange Commission in developing a rule that will stop the exploitation and trade of Conflict Minerals from the Democratic Republic of the Congo and surrounding areas that is financing the horrible violence and human rights abuse in the area.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "A. Lackner", is written over a light blue horizontal line.

Dr. Andreas Lackner
President - CEO