

SEABRIDGE GOLD INC
Form S-8
May 12, 2016

As filed with the Securities and Exchange Commission on May 12, 2016

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Seabridge Gold Inc.
(Exact name of registrant as specified in its charter)

Canada
(State or other jurisdiction of
incorporation or organization)

Not Applicable
(I.R.S. Employer
Identification No.)

106 Front Street East, Suite 400
Toronto, Ontario CANADA M5A 1E 1
(416) 367-9292
(Address of Registrant's principal executive offices)

AMENDED AND RESTATED 2008 STOCK OPTION PLAN
RESTRICTED SHARE UNIT PLAN
(Full title of the plans)

Corporation Service Company
1180 Sixth Avenue
New York, New York 10036
(212) 299-5656

(Name and address of agent for service)
(Telephone number, including area code, of agent for service)

The Commission is requested to send copies of all communications to:

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Secretary
Seabridge Gold Inc.
106 Front Street East
Toronto, Ontario
M5A 1E1
(416) 367-9292

Bruce A. Rich, Esq.

Carter Ledyard & Milburn LLP
2 Wall Street
New York, New York
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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting

company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered(1)	Proposed	Proposed	Amount of Registration Fee
		Maximum Offering Price Per Share(2)	Maximum Aggregate Offering Price	
Common Shares, no par value (3)	4,157,550	\$ 12.81	53,258,215.50	\$ 5,363.10

(1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the “Securities Act”), this registration statement shall be deemed to cover any additional common shares, no par value, that become issuable under the Registrant’s Amended And Restated 2008 Stock Option Plan and its Restricted Share Unit Plan (collectively, the “Plans”) by reason of any stock splits, stock dividends or similar transactions.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c) and (h) under the Securities Act by taking the average of the high and low sales prices per share of the common shares on the New York Stock Exchange on May 9, 2016.

(3) Represents 3,718,250 common shares issuable upon exercise of options and awards previously granted under the Plans and 439,300 additional common shares reserved for issuance pursuant to exercise of options and awards that may be granted under the Plans in the future.

PART I
INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS
EXPLANATORY NOTE

This registration statement contains two parts. The first part contains a “reoffer prospectus” prepared in accordance with the requirements of Part I of Form F-3 (as permitted by Section C.3. of the General Instructions to Form S-8). The reoffer prospectus is intended to be a combined prospectus under Rule 429 of the Securities Act to be used in connection with reoffers and resales of “control securities” (as defined in General Instruction C to Form S-8) by certain officers and directors of Seabridge Gold Inc. that they acquired or will acquire by reason of the exercise of options granted or to be granted to them under the Amended And Restated 2008 Stock Option Plan and grant of awards under the Restricted Share Unit Plan (collectively, the “Plans”). The inclusion of any individual in the selling shareholder table in the reoffer prospectus should not be deemed a determination or an admission by us that such individual is in fact an “affiliate” of us.

The second part contains information required to be included in this registration statement pursuant to Part II of Form S-8. Pursuant to the introductory note to Part I of Form S-8, the plans’ information specified by Part I of Form S-8 is not required to be filed with the Securities and Exchange Commission (the “SEC”).

REOFFER PROSPECTUS

This prospectus covers the offer and resale of up to 2,778,000 common shares, without par value, of Seabridge Gold Inc., a Canadian corporation, constituting “control securities” which may be offered and sold from time to time by certain of our officers and directors who have acquired or will acquire such common shares pursuant to the exercise of options granted under our Amended And Restated 2008 Stock Option Plan and grant of awards under our Restricted Share Unit Plan (collectively, the “Plans”).

These sales may be made on the New York Stock Exchange (“NYSE”) or otherwise at prices and at terms then prevailing or at prices related to the then current market price, or in negotiated transactions.

We will not receive any of the proceeds from the sale of these common shares (except pursuant to an exercise of options to purchase common shares under the Amended And Restated 2008 Stock Option Plan). We will bear all expenses of preparing this prospectus and the related registration statement.

Our common shares are quoted for trading on the NYSE under the symbol “SA.” On May 11, 2016, the closing sale price of our common shares on the NYSE was \$13.55.

You should read this prospectus carefully before you invest. Investing in the common shares offered hereby involves significant risks. For more information, please see the section of this prospectus titled “Risk Factors,” in this prospectus.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED ON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL SECURITIES IN ANY STATE TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER IN SUCH STATE.

The date of this prospectus is May 12, 2016.

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NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, IN CONNECTION WITH THE OFFERING MADE HEREBY, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY US OR ANY OTHER PERSON. THE INFORMATION CONTAINED IN THIS PROSPECTUS, AS WELL AS ANY INFORMATION INCORPORATED BY REFERENCE, IS CURRENT ONLY AS OF THE DATE OF THIS PROSPECTUS OR THE DATE OF THE DOCUMENT INCORPORATED BY REFERENCE, AS APPLICABLE. OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS MAY HAVE CHANGED SINCE THAT DATE. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OFFERED HEREBY BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

PROSPECTUS SUMMARY

The following is only a summary of some of the information contained or incorporated by reference in this prospectus that we believe to be important. We have selected highlights of material aspects of our business to be included in this summary. We urge you to read this entire prospectus, including the information incorporated by reference herein before making an investment in our common shares. Investing in our common shares involves risks. You should carefully consider the information below referenced under the heading “Risk Factors,” in this prospectus and under that heading in our reports filed with the SEC from time to time. In this prospectus, the words “Company,” “we,” “our” and “us” refer to Seabridge Gold Inc. and our consolidated subsidiaries.

We are a Canadian gold resource company engaged in the acquisition and exploration of gold properties in North America. Our business plan is to obtain gold prospects in the ground, but rather than going into production on our own we then seek the sale of the properties or participation in joint ventures toward production with major mining companies.

Our principal properties are the Kerr-Sulphurets-Mitchell Project located in Northern British Columbia, Canada (the “KSM Project”) and the Courageous Lake Project located in the Northwest Territories, Canada (the “Courageous Lake Project”). We hold a 100% interest in each of these properties. Two of our non-material properties are subject to option agreements under which the optionee may acquire a 100% interest in such project. A summary of the estimated gold resources at our properties is set out under the heading “Description of the Issuer’s Business – General” beginning on page 6 of the 2015 Annual Information Form (the “AIF”), included as Exhibit 99.1 to the our Annual Report on Form 40-F for 2015, which is incorporated by reference herein.

We have completed a prefeasibility study in respect of each of the KSM Project and Courageous Lake Project and have declared reserves on each of these properties. These reports are (1) the technical report titled “2012 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study” dated June 22, 2012 and amended November 11, 2014; and (2) the technical report titled “Courageous Lake Prefeasibility Study” dated September 5, 2012 and amended November 11, 2014. Both technical reports have been filed on SEDAR (www.sedar.com) and with the SEC (www.sec.gov).

Proven and probable reserve estimates for the KSM Project are set out under the heading “Description of the Issuer’s Business – KSM Project – Proven and Probable Reserves” beginning on page 21 of the AIF.

Proven and probable reserve estimates for the Courageous Lake Project are set out under the heading “Description of the Issuer’s Business – Courageous Lake Project – Mine Planning – Mining Operations – Proven and Probable Reserves” on page 60 of the AIF.

We are seeking a sale or joint venture of the KSM Project and the Courageous Lake Project, or a sale of our company, while the current phase of finding and delineating higher grade core zones to improve the economics of these projects and additional de-risking of these projects is being advanced. The recent exploration at the KSM Project has resulted in the discovery and delineation of the Deep Kerr deposit, a higher grade predominantly copper deposit lying below the Kerr deposit at the KSM Project, which now has grown to an inferred resource of approximately 1 billion tonnes. The results of de-risking efforts at the KSM Project include the positive environmental assessment decisions (provincial and federal) and agreements with certain of the local aboriginal groups. One of the goals of the search for high grade core zones at the KSM Project was to change its economic profile. Before finding the Deep Kerr deposit, the KSM Project was a gold project with a robust copper credit that would appeal primarily to gold miners as prospective partners. Now, the KSM Project has a much stronger copper profile which opens up the potential for a joint venture with a large base metal producer. Realizing value for our shareholders will depend on the potential financial return for a prospective purchaser or partner, successfully addressing regulatory and aboriginal concerns as

well as market conditions at the time, especially gold and copper prices, and the exchange rate between Canadian dollars and U.S. dollars. The timing of sales or joint venture agreements, if any, cannot be determined at this juncture.

Our continuing success is dependent on, among other things: (1) being able to raise capital as needed, (2) strength in the price of gold and copper, (3) successfully concluding negotiations under which others acquire interests in our properties, whether under option agreements, joint venture earn-in agreements, or by purchase, (4) exploration success on projects we are exploring on our own account, and/or (5) advancing our projects through further regulatory reviews and permitting.

The documents incorporated by reference herein, including the AIF, contain further details regarding our business. See “Documents Incorporated by Reference.”

FORWARD LOOKING STATEMENTS

This prospectus and the exhibits attached or referenced hereto contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and forward-looking information within the meaning of Canadian securities laws concerning our projects, business approach and plans, including estimated production, capital, operating and cash flow estimates and other matters at our projects. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects”, “anticipates”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives” or variations thereof or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements and forward-looking information (collectively referred to in the following information simply as “forward-looking statements”). In addition, statements concerning mineral reserve and mineral resource estimates constitute forward-looking statements to the extent that they involve estimates of the mineralization expected to be encountered if a mineral property is developed and the economics of developing a property and producing minerals.

Forward-looking statements are necessarily based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments. In making the forward-looking statements in this prospectus and the exhibits attached hereto, or referenced herein, we have applied several material assumptions including, but not limited to, the assumption that: (i) market fundamentals will result in sustained demand and prices for gold and copper, and to a much lesser degree, silver and molybdenum; (ii) the potential for production at our mineral projects will continue operationally, legally and economically; (iii) any additional financing needed will be available on reasonable terms; and (iv) estimated resources at our projects have merit and there is continuity of mineralization as reflected in such estimates.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- our history of losses and negative cash flows from operations and expectation of future losses and negative cash flows from operations;

- risks related to our ability to continue our exploration activities and future development activities, and to continue as a going concern, which are dependent in part on our ability to obtain suitable financing, enter into joint ventures or sell property interests;
- uncertainty of whether the reserves estimated on our mineral properties will be brought into production;
- uncertainty relating to the assumptions underlying our resource and reserve estimates;
- uncertainty of estimates of capital costs, operating costs, production and economic returns;
- risks related to commercially producing precious metals from our mineral properties;
- risks related to fluctuations in the market price of gold, copper and other metals;
- risks related to fluctuations in foreign exchange rates;
- mining, exploration and development risks that could result in damage to mineral properties, plant and equipment, personal injury, environmental damage and delays in mining, which may be uninsurable or not of adequate amounts;
- risks related to obtaining all necessary permits and governmental approvals for exploration, development and mining activities, including in respect of environmental regulation;
- uncertainty related to title to our mineral properties and rights of access over or through lands subject to third party mineral tenures;
- risks related to unsettled First Nations rights and title, including risks arising as a result of the Supreme Court of Canada decision in *Tsilhqot'in Nation v. British Columbia* of June 26, 2014, and settled Treaty Nations' rights;
- risks related to increases in demand for exploration, development and construction services equipment, and related cost increases;
- increased competition in the mining industry;
- our need to attract and retain qualified management and personnel;
- risks related to conflicts of interest due to some of our directors' and officers' involvement with other natural resource companies; and
- our classification as a "passive foreign investment company" under the United States tax code.

This list is not exhaustive of the factors that may affect any of our forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in our AIF attached to our Form 40-F dated March 25, 2016, as Exhibit 99.1 under the heading “Risk Factors” and elsewhere in the AIF, and in the documents incorporated by reference in this prospectus and the AIF.

These forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made. We do not assume any obligation to update forward-looking statements, except as required by applicable securities laws, if circumstances or management’s beliefs, expectations or opinions should change. For the reasons set forth above, persons should not place undue reliance on forward-looking statements.

CAUTIONARY NOTE TO UNITED STATES INVESTORS

We are permitted under a multi-jurisdictional disclosure system adopted by the securities regulatory authorities in Canada and the United States to prepare this prospectus and the documents incorporated by reference in this prospectus in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all reserve and resource estimates contained or incorporated by reference in this prospectus have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System. These standards differ significantly from the requirements of the SEC, and reserve and resource information contained herein and in the documents incorporated by reference herein may not be comparable to similar information disclosed by U.S. companies.

Without limiting the foregoing, this prospectus, including the documents incorporated by reference in this prospectus, uses the terms “measured”, “indicated” and “inferred” resources. U.S. investors are cautioned that, while such terms are recognized and required by Canadian securities laws, the SEC does not recognize them. Under U.S. standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves.

U.S. investors should also understand that “inferred resources” have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of the “inferred resources” exist, are economically or legally mineable or will ever be upgraded to a higher category. Therefore, U.S. investors are also cautioned not to assume that all or any part of the inferred resources exist, or that they can be mined legally or economically. Disclosure of “contained ounces” in a mineral resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report “resources” as in place tonnage and grade without reference to unit measures. The definitions of proven and probable reserves used in NI 43-101 also differ from the definitions in SEC Industry Guide 7. As a result, the reserves reported by us in accordance with NI 43-101 may not qualify as “reserves” under SEC standards.

Accordingly, information concerning descriptions of reserves and resources contained in this prospectus, or in the documents incorporated by reference in this prospectus, may not be comparable to information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

RISK FACTORS

An investment in our common shares involve significant risks. We urge you to carefully consider the risks incorporated by reference in this prospectus before making an investment decision, including those risks set forth under the heading “Risk Factors” and elsewhere in the AIF, and in the documents incorporated by reference in this prospectus and the AIF as well as in our other filings with the SEC, all of which may be amended, supplemented or superseded from time to time by other reports we file with the SEC in the future.

Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of these risks were to occur, our business, financial condition and results of operations could be seriously harmed. In that event, the trading price of our shares could decline and you may lose all or part of your investment.

Risks Relating to Investment in Our Common Shares

The trading price for our securities is volatile.

The market prices for the securities of mining companies, including our company, have historically been highly volatile. The market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of any particular company. In addition, because of the nature of our business, certain factors such as our announcements and the public's reaction, operating performance and the performance of competitors and other similar companies, fluctuations in the market prices of our resources, government regulations, changes in earnings estimates or recommendations by research analysts who track our securities or securities of other companies in the resource sector, general market conditions, announcements relating to litigation, the arrival or departure of key personnel and the factors listed under the heading "Forward-Looking Statements" can have an adverse impact on the market price of our common shares. For example, since January 1, 2016, the closing price of our common shares on the TSX has ranged from a low of CDN\$8.40 to a high of CDN\$19.69 and on the NYSE has ranged from a low of US\$5.78 to a high of US\$15.26.

Any negative change in the public's perception of our prospects could cause the price of our securities, including the price of our common shares, to decrease dramatically. Furthermore, any negative change in the public's perception of the prospects of mining companies in general could depress the price of our securities, including the price of our common shares, regardless of our results. Following declines in the market price of a company's securities, securities class-action litigation is often instituted. Litigation of this type, if instituted, could result in substantial costs and a diversion of our management's attention and resources.

Sales of a significant number of common shares in the public markets, or the perception of such sales, could depress the market price of our common shares.

Sales of a substantial number of common shares or other equity-related securities in the public markets by us or by our significant shareholders could depress the market price of the common shares and impair our ability to raise capital through the sale of additional equity securities. We cannot predict the effect that future sales of our common shares or other equity-related securities would have on the market price of our common share. The price of our common shares could be affected by possible sales of the common shares by hedging or arbitrage trading activity.

We have discretion concerning the use of cash resources, including the net proceeds derived from the exercise of options, as well as the timing of expenditures.

We have discretion concerning the application of cash resources and the timing of expenditures and shareholders may not agree with the manner in which we elect to allocate and spend cash resources. The results and the effectiveness of the application of cash resources are uncertain. A failure to apply cash resources effectively could have a material adverse effect on our business. Our management will have discretion with respect to the use of the net proceeds from the potential exercise of options and investors will be relying on the judgment of our management regarding the application of these proceeds. Our management could spend most of the net proceeds in ways that our security holders may not desire or that do not yield a favourable return. Prospective investors will not have the opportunity, as part of their investment in our common shares, to influence the manner in which any net proceeds are used. At the date of this prospectus, we intend to use any net proceeds as indicated in the discussion under "Use of Proceeds". However, our needs may change as our business evolves and we may have to allocate the net proceeds differently than as indicated in the discussion under "Use of Proceeds".

We believe that we may be classified as a “passive foreign investment company” for the current taxable year, which would likely result in materially adverse U.S. federal income tax consequences for U.S. investors.

We believe that we were classified as a passive foreign investment company (“PFIC”) for the taxable year ending December 31, 2015 and expect that we may be classified as a PFIC for the current taxable year and in future taxable years. If we are classified as a PFIC for any taxable year during which a U.S. shareholder holds the common shares, it would likely result in adverse U.S. federal income tax consequences for such U.S. holder. The adverse consequences of the PFIC regime may be mitigated if a U.S. holder is able to make a “qualified electing fund” (“QEF”) election or a “mark-to-market” election. We have made available and expect to continue to make available the information necessary for a U.S. holder to make and maintain a QEF election.

We have a history of net losses and negative cash flows from operations and expects losses and negative cash flows from operations to continue for the foreseeable future.

We have a history of net losses and negative cash flows from operations and, although we achieved a net profit of \$10,290,000 for the fiscal year ended December 31, 2008 and a net profit of \$3,540,000 in 2010 primarily as a result of a sale of assets, we expect to incur net losses and negative cash flows from operations for the foreseeable future. As of December 31, 2015, our historical net deficit totaled approximately \$89.0 million. None of our properties have advanced to the commercial production stage and we have no history of earnings or positive cash flow from operations.

We expect to continue to incur net losses unless and until such time as one or more of our projects enters into commercial production and generates sufficient revenues to fund continuing operations or until such time as we are able to offset its expenses against the sale of one or more of our projects, if applicable. The development of our projects to achieve production will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any sale or joint venture agreements with strategic partners, some of which are beyond our control. There is no assurance that we will be profitable in the future.

We apply from time-to-time for refunds under British Columbia Mining Exploration Tax Credit (“BCMETS”) and its claims are subject to audit and may not be successful in full.

We seek refunds of qualifying exploration expenditures under BCMETS. These claims are subject to audit by the Canada Revenue Agency (the “CRA”), the outcome of which is uncertain. There is a risk that if a claim is reduced on audit, we may be required to return money refunded to it by the CRA.

USE OF PROCEEDS

The common shares which may be sold under this prospectus will be sold for the respective accounts of each of the selling shareholders. Accordingly, we will not realize any proceeds from the sale of the common shares, except that we will derive proceeds if the options to purchase common shares currently outstanding and options that may be issued in the future under the Amended And Restated 2008 Stock Option Plan are exercised. If exercised, such proceeds will be available to us for working capital and general corporate purposes. No assurance can be given, however, as to when or if any or all of the options will be exercised. We will not receive any proceeds from the issuance and vesting of common shares under the Restricted Share Unit Plan. All expenses of the registration of the shares will be paid for by us. See “Selling Shareholders” and “Plan of Distribution.”

SELLING SHAREHOLDERS

The following table sets forth (i) the name and relationship to us and our affiliates (within the past three years) of each selling shareholder listed below; (ii) the number of common shares each selling shareholder owned of record before the offering; (iii) the number of common shares being offered for sale by such holder pursuant to this prospectus (which represents the maximum number of shares that could be sold under this prospectus by such holder assuming the vesting of all awards and exercise of all options); and (iv) the number of common shares to be owned by each selling shareholder and the percentage of the class to be owned by such holder assuming such holder disposes of all of the shares being offered pursuant to this prospectus. The information under this heading relates to resales of shares covered by this prospectus by persons who are our “affiliates”, as that term is defined under federal securities laws.

The tabular information below assumes that all the common shares being offered pursuant to the registration statement of which this prospectus is a part are sold to third parties. However, because the selling shareholders may offer all or a portion of the shares covered by this prospectus at any time and from time to time hereafter, the exact number of shares that each selling shareholder may retain after completion of the offering cannot be determined at this time. Information concerning the selling shareholders may change from time to time and, to the extent required, will be set forth in supplements or amendments to this prospectus. We believe that each selling shareholder has sole voting and investment power over his common shares, unless otherwise noted below.

The common shares covered by this prospectus may be sold by the selling shareholders, by those persons or entities to whom they transfer, donate, devise, pledge or distribute their shares or by other successors in interest. We are registering the common shares for resale by the selling shareholders set forth below.

Name	Number of Common Shares Owned Before Offering(1)		Number of Common Shares That May Be Offered(1)	Number of Common Shares Owned After Offering(1)	Percentage Total Voting Power After Offering	
A Frederick Banfield (Director)	375,000	(2)	125,000	400,000	*	
Douglass “Scott” Barr (Director)	105,000	(3)	125,000	130,000	*	
Rudi P. Fronk (Chairman of the Board and Chief Executive Officer)	1,410,000	(4)	600,000	1,510,000	2.8	%
Eliseo Gonzalez-Urien (Director)	169,765	(5)	125,000	194,765	*	

Richard Kraus (Director)	52,000	(6)	\$528,090,827	
Mutual funds	418,655,951	–	–	418,655,951
Stable value fund	–	188,281,212	–	188,281,212
Total assets at fair value	\$ 946,746,778	\$ 188,281,212	\$ –	\$ 1,135,027,990

Participant loans are the only investments specific to the Plan. Fair value of the Plan's participant loans balance of \$9,855,784 is classified as a Level 3 investment.

Level 3 Gains and Losses:

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2009.

	Participant loans
Balance at beginning of year	\$9,107,195
Issuances and settlements (net)	748,589
Balance at end of year	\$9,855,784

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

Notes to Financial Statements (continued)

4. Investment Contract

The Master Trust invests in security-backed investment contracts through the Galliard Stable Value Fund (the Fund). The Fund is considered a security-backed investment contract and primarily invests in common collective trusts, as well as wrapper contracts. The wrapper contracts provide assurance that future adjustments to the variable crediting rates of investments in the common collective trust cannot result in a crediting rate less than zero.

The wrapper contracts are investment contracts issued by an insurance company or other financial institution, backed by the portfolio of bonds that are owned by the common collective trusts in which the Fund is invested. The portfolio underlying the contract is maintained separately from the contract issuer's general assets, by a third party custodian. The interest crediting rate of the wrapper contracts is based on the contract value, and the fair value, duration, and yield to maturity of the underlying portfolio. These contracts typically allow for realized and unrealized gains and losses on the underlying assets to be amortized, usually over the duration of the underlying investments, through adjustments to the future interest crediting rate, rather than reflected immediately in the net assets of the Fund. The issuer guarantees that all qualified participant withdrawals will be at contract value.

Risks arise when entering into any investment contract due to the potential inability of the issuer to meet the terms of the contract. In addition, security-backed investment contracts have the risk of default or the lack of liquidity of the underlying portfolio assets.

The primary variables impacting the future crediting rates of security-backed investment contracts include the current yield of the assets underlying the contract, the duration of the assets underlying the contract and the existing difference between the fair value and contract value of the assets within the contract.

The Fund uses a compound net crediting rate formula, which reflects fees paid to security-backed contract issuers.

The security-backed investment contracts are designed to reset their respective crediting rates on a quarterly basis and cannot credit an interest rate that is less than zero percent.

The crediting rate of security-backed investment contracts will track current market yields on a trailing basis. The rate reset allows the contract value to converge with the fair value of the underlying portfolio over time, assuming the portfolio continues to earn the current yield for a period of time equal to the current portfolio duration.

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

Notes to Financial Statements (continued)

4. Investment Contract (continued)

To the extent that the underlying portfolio of a security-backed investment contract has unrealized and/or realized losses, a positive adjustment is made to the adjustment from fair value to contract value under contract value accounting. As a result, the future crediting rate may be lower over time than the then-current market rates. Similarly, if the underlying portfolio generates unrealized and/or realized gains, a negative adjustment is made to the adjustment from fair value to contract value, and the future crediting rate may be higher than the then-current market rates.

The yield earned by the Fund at December 31, 2009 and December 31, 2008 was 3.80% and 6.20%, respectively. This represents the annualized earnings of all investments in the Fund divided by the fair value of all investments in the Fund at that date. The yield earned by the Fund with an adjustment to reflect the actual interest rate credited to participants in the Fund at December 31, 2009 and December 31, 2008 was 3.09% and 4.16%, respectively. This represents the annualized earnings credited to participants in the Fund divided by the fair value of all investments in the Fund at that date.

Security-backed investment contracts generally provide for withdrawals associated with certain events which are not in the ordinary course of Fund operations. These withdrawals are paid with a market value adjustment applied to the withdrawal as defined in the investment contract. Each contract issuer specifies the events which may trigger a market value adjustment.

At this time, the Fund does not believe that the occurrence of any such market value event, which would limit the Fund's ability to transact at contract value with participants, is probable.

Security-backed investment contracts generally contain termination provisions, allowing the Fund or the contract issuer to terminate with notice at any time at fair value, and providing for automatic termination of the contract if the contract value or the fair value of the underlying portfolio equals zero. The issuer is obligated to pay the excess contract value when the fair value of the underlying portfolio equals zero. In addition, if the Fund defaults on its obligations under the security-backed contract (including the issuer's determination that the agreement constitutes a non-exempt prohibited transaction as defined under ERISA), and such default is not corrected within the time permitted by the contract, then the contract may be terminated by the issuer and the Fund will receive the fair value as of the date of termination.

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

Notes to Financial Statements (continued)

5. Master Trust Investment Information

The Plan's investments are held in the Master Trust. Investments and the income therefrom are allocated to participating plans based on each plan's participation in investment options within the Master Trust. At December 31, 2009 and 2008, the Plan's interest in the net assets of the Master Trust was approximately 23% and 24%, respectively.

The following table presents the investments for the Master Trust:

	December 31	
	2009	2008
Assets		
Investment securities at fair value:		
ADM common stock	\$525,028,572	\$506,439,622
Mutual funds	418,655,951	271,513,255
Investment contract	188,281,212	156,933,894
Other common stock	3,062,255	2,762,029
Cash and equivalents	221,691	-
	1,135,249,681	937,648,800
Adjustment from fair value to contract value for fully responsive investment contract	2,563,693	13,658,695
	\$1,137,813,374	\$951,307,495

Summarized financial information with respect to the Master Trust's investment income is as follows:

	Year Ended December 31	
	2009	2008
Net realized and unrealized appreciation (depreciation) in fair value of investments:		
ADM common stock	\$42,425,141	\$(268,008,531)
Mutual funds	77,602,398	(157,954,275)
Investment contract	5,606,614	6,483,745
Other common stock	189,817	(821,382)
	\$125,823,970	\$(420,300,443)
Dividend and interest income	\$19,591,387	\$25,517,084

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

Notes to Financial Statements (continued)

6. Plan expenses

Brokerage commissions, transfer taxes, and other charges and expenses in connection with the purchase or sale of securities are charged against the trust fund and added to the cost of such securities or deducted from the sale proceeds, as the case may be. The stable value fund and mutual funds incur expenses in the course of their operations and distribute returns to shareholders based on the funds' net income. Accordingly, these costs are not shown in plan expenses. Participants are charged check processing fees in certain circumstances. Costs of administering the Plan, including the trustee, record keeper, audit and actuarial fees are currently paid by the Plan's sponsor, ADM. While it is anticipated that ADM will continue to pay these costs, the Plan permits the reasonable expenses of administering the Plan to be paid from the trust fund.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will be 100% vested in all their accounts.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the Plan's financial statements to the Form 5500:

	December 31	
	2009	2008
Net assets available for benefits per the financial statements	\$276,218,864	\$233,819,610
Adjustments to contract value for fully responsive investment contract	(650,632)	(3,396,891)
Amounts allocated to deemed distributions	-	(1,316)
Amounts allocated to withdrawing participants	(15,368)	(50,457)
Net assets available for benefits per the Form 5500	\$275,552,864	\$230,370,946

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

Notes to Financial Statements (continued)

8. Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of net realized and unrealized appreciation (depreciation) per the Plan's financial statements to the Form 5500:

	Year Ended December 31	
	2009	2008
Net realized and unrealized appreciation (depreciation) per the financial statements	\$26,087,521	\$(97,626,380)
Current year adjustments to contract value for fully responsive investment contract	(650,632)	(3,396,891)
Prior year adjustments to contract value for fully responsive investment contract	3,396,891	257,373
Net realized and unrealized appreciation (depreciation) included in the Master Trust investment income per the Form 5500	\$28,833,780	\$(100,765,898)

The following is a reconciliation of withdrawals per the Plan's financial statements to the Form 5500:

	Year Ended December 31	
	2009	2008
Withdrawals per the financial statements	\$18,915,351	\$18,854,474
Current year amounts allocated to deemed distributions	-	1,316
Prior year amounts allocated to deemed distributions	(1,316)	-
Current year amounts allocated to withdrawing participants	15,368	50,457
Prior year amounts allocated to withdrawing participants	(50,457)	(119,011)
Withdrawals per the Form 5500	\$18,878,946	\$18,787,236

Amounts allocated to withdrawing participants were recorded on the Form 5500 for withdrawal requests that have been processed and approved for payment prior to December 31, 2009 and 2008, but not yet paid.

9. Income Tax Status

The Plan received a determination letter from the IRS dated August 3, 2007, stating the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended and restated. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan sponsor believes the Plan is being operated in compliance with applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is exempt from taxation.

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

Notes to Financial Statements (continued)

10. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Schedule

ADM 401(k) and Employee Stock Ownership Plan for Hourly Employees

EIN: 41-0129150

Plan 030

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2009

Identity of Issuer, Borrower, Lessor, or Similar Party	Description	Current Value
Participant loans*	Loans, interest rates from 4.25% to 10.50%, maturities through 2019	\$9,855,784

* Parties in interest.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

ARCHER-DANIELS-MIDLAND COMPANY

/s/Steven R. Mills

Steven R. Mills
Executive Vice President and
Chief Financial Officer

Dated: June 17, 2010

Exhibit Index

Exhibit	Description
23	Consent of Ernst & Young LLP.