

ALBERTA SECURITIES COMMISSION

Citation: Re Atacama Resources International Inc., 2024 ABASC 145 **File No.:** ENF-013121
Date: 20240904

NOTICE OF HEARING

To: **Atacama Resources International Inc. and Glenn Brian Grant
(Respondents)**

Notice: The Alberta Securities Commission (the **Commission**) will convene at 2:00 p.m. on Wednesday, October 16, 2024, or as otherwise directed (the **Set Date Hearing**), at Calgary, Alberta, to set a date or dates for the conduct of a hearing regarding the allegations in this Notice (the **Merits Hearing**). At the Merits Hearing, the Commission will consider whether the allegations have been proven. If so, the Commission will subsequently consider whether it is in the public interest to make orders against you under sections 198, 199, and 202 of the *Securities Act*, RSA 2000, c S-4, as amended (the *Act*).

Location: Alberta Securities Commission, 5th Floor, 250 – 5 Street S.W., Calgary, Alberta.

Procedure: 1. You may obtain disclosure and further information about particulars of the allegations in this Notice from Matthew Bobawsky, c/o Alberta Securities Commission, 600, 250 – 5 Street S.W., Calgary, Alberta, T2P 0R4, telephone: 403.355.3873, email: matthew.bobawsky@asc.ca.

2. You may be represented by legal counsel or represent yourself. You or your legal counsel may make representations at the Set Date Hearing as part of the process for scheduling the Merits Hearing and the hearing management sessions that will take place between the Set Date Hearing and the Merits Hearing. At the Merits Hearing, you or your legal counsel may make representations and introduce relevant evidence regarding the allegations in this Notice.

3. If you or your legal counsel fail to attend the Set Date Hearing, the scheduling of the Merits Hearing and the hearing management sessions may proceed in your absence without further notice, and the Merits Hearing itself may proceed in your absence without further notice, following which orders may be made against you.

See attached sections 29, 93.1, 198, 199 and 202 of the Act, and Commission Rule 15-501 – Rules of Practice and Procedure for Commission Proceedings.

Reciprocation: Take notice that orders or settlements made by the Commission may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to you. If an order is made or a settlement agreement is reached in relation to this Notice, you should contact the securities regulator of any other jurisdiction in which you may intend to engage in any securities related activities.

Allegations

Parties

1. Atacama Resources International Inc. (**Atacama**) is a corporation incorporated under the laws of the State of Florida in the United States of America (**U.S.**) under a predecessor name in approximately June 2013. Atacama's common shares have been quoted under the symbol ACRL in the over-the-counter markets in the U.S. since February 2016.
2. Atacama became a reporting issuer in Alberta under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* as of February 2016, and continued to be a reporting issuer from August 2022 to the issuance of this Notice of Hearing (the **Relevant Period**). During the Relevant Period, Atacama purported to be a mining company focused on mining claims in the Kirkland Lake area of Ontario.
3. Glenn Brian Grant (**Grant**) is an individual who resided in Alberta during some or all of the Relevant Period. He was chairman, chief executive officer, director and a guiding mind of Atacama from August 2022 to August 2024.

Circumstances

4. On July 27, 2018, the Director, Corporate Finance, of the Commission, acting under delegated authority of the Executive Director of the Commission, issued a cease trade order under section 33.1 of the *Act* (see *Re Atacama Resources International Inc.*, 2018 ABASC 120 (the **CTO**)), that ordered trading or purchasing cease in respect of each security of Atacama until the order had been revoked or varied.
5. According to the CTO, Atacama had failed to file periodic disclosure pursuant to section 146 of the *Act*, specifically, interim unaudited financial statements, interim management's discussion and analysis and certification of interim filings.
6. The CTO was a decision of the Executive Director made under Alberta securities laws.
7. The CTO was sent by electronic means to Atacama on July 27, 2018. Atacama and Grant knew or ought to have known about the CTO, including its terms, before and during the Relevant Period.
8. The CTO was neither revoked by the Executive Director nor stayed or rejected after an appeal to the Commission.

9. On July 6, 2021, the Director, Corporate Finance, acting under delegated authority of the Executive Director, issued an order varying the CTO under section 214(1.1) of the *Act* (see *Re Atacama Resources International Inc.*, 2021 ABASC 97 (the **Variation**)), and otherwise confirming that trading or purchasing cease in respect of each security of Atacama until the CTO had been revoked or varied.
10. The Variation was a decision of the Executive Director made under Alberta securities laws.
11. The Variation was sent by electronic means to Atacama on July 6, 2021. Staff sent the Variation to the email address provided in the profile filed by Atacama in the System for Electronic Document Analysis and Retrieval (SEDAR). Atacama and Grant knew or ought to have known about the Variation, including its terms, before and during the Relevant Period.
12. The Variation was neither revoked by the Executive Director nor stayed or rejected after an appeal to the Commission.
13. During the Relevant Period, Atacama issued securities to a number of individuals, including but not limited to:
 - 13.1 shares of Atacama series B preferred stock to Alberta and Canadian residents, some of which were issued to Grant and a resident of the U.S.;
 - 13.2 shares of Atacama common stock to Alberta and Canadian residents, some of which were issued to Grant; and
 - 13.3 convertible promissory notes to residents of the U.S.
14. The securities that Atacama issued during the Relevant Period were trades within the meaning of section 1(jjj) of the *Act*.
15. During the Relevant Period, Grant engaged in acts, negotiations and conduct in furtherance of the trades, including but not limited to:
 - 15.1 convening board of directors' meetings concerning the trades;
 - 15.2 negotiating the terms and conditions of the trades;
 - 15.3 voting in favour of executing the trades; and
 - 15.4 authorizing the trades for Atacama's transfer agent.

Breaches

- 16. As a result of the above, Staff allege that Atacama and Grant breached section 93.1 of the *Act* by not complying with a decision of the Executive Director.
- 17. Grant authorized, permitted or acquiesced in Atacama’s breaches of section 93.1 of the *Act*.

Calgary, Alberta, 4 September, 2024.) ALBERTA SECURITIES COMMISSION
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) “Original Signed By”
) _____
) Samir Sabharwal
) Executive Director