

ALBERTA SECURITIES COMMISSION

Blanket Order 51-505 -
Transitional Exemptions for certain Bourse de Montréal issuers

Order (Subsections 123(c), 184(2), and 186(1) and Section 185)

PART 1 DEFINITIONS

1.1 In this Blanket Order

“Act” means the *Securities Act* (Alberta), S.A. 1981, c. S-6.1, as amended;

“Bourse” means the Bourse de Montréal Inc.;

“CDNX” means the Canadian Venture Exchange Inc.;

“CVMQ” means the Commission des valeurs mobilières du Québec;

“Commission” means the Alberta Securities Commission;

“Invitation to List” means the invitation that CDNX extended to certain Bourse issuers to list on CDNX dated August 10, 2001;

“New Reporting Issuer” means an issuer that

- (a) is a reporting issuer in Québec,
- (b) as at August 31, 2001,
 - (i) was not a reporting issuer under the Act, and
 - (ii) either had securities listed on the Bourse or had submitted a complete application to list on the Bourse that was subsequently accepted;
- (c) became a reporting issuer under the Act only because it has securities listed and posted for trading on CDNX as a result of accepting the Invitation to List;
- (d) has securities listed on CDNX;
- (e) does not, after having its securities listed and posted for trading on CDNX, do anything that would otherwise make it a reporting issuer in Alberta;

“NI 43-101” means National Instrument 43-101 Standards of Disclosure for Mineral Projects;

“Québec securities law” means the *Securities Act* (Québec), the *Québec Regulation Concerning Securities* and any other regulation made under the *Securities Act* (Québec), and any decision, order or ruling of the CVMQ, one of its members, or a member of its personnel;

“Rules” means the Rules made by the Commission under subsection 196.1 of the Act;

“Transition Period” means the period starting on the date that a New Reporting Issuer’s securities are listed and posted for trading on CDNX and ending on May 31, 2002;

“SEDAR” means the System for Electronic Document Analysis and Retrieval.

PART 2 INTERPRETATION

2.1 Terms used in this Blanket Order that are defined in the Act or the Rules have the meaning given to them in the Act or the Rules unless the context requires otherwise.

PART 3 BACKGROUND TO BLANKET ORDER

3.1 Part 2 is provided for background and information purposes only. It does not form part of the relief provided by this Blanket Order.

3.2 The definition of reporting issuer in the Act deems issuers that are listed and posted for trading on a recognized exchange in Alberta to be reporting issuers in Alberta.

3.3 CDNX is a recognized exchange in Alberta.

3.4 As part of the restructuring of Canada’s stock exchanges, the Bourse will no longer provide a market for equity securities. Issuers with equity securities listed on the Bourse have been invited to list on CDNX. If they accept the Invitation to List, they will become reporting issuers in Alberta once their securities are listed and posted for trading on CDNX.

3.5 The Commission has determined that there is adequate justification for granting this Blanket Order relieving New Reporting Issuers from certain of their obligations under the Act for a transitional period.

PART 4 ORDERS RELATING TO NEW REPORTING ISSUERS

4.1 **Material Change Reports** - The Commission orders under subsection 123(c) of the Act that, during the Transition Period, a New Reporting Issuer is exempt from the requirements of section 118 of the Act if the New Reporting Issuer files with the Commission on SEDAR all documents required under the equivalent requirement of Québec securities law at the same time as it is required to file those documents with the CVMQ under Québec securities law.

4.2 Annual Financial Statements - The Commission orders under subsection 123(c) of the Act that, during the Transition Period, a New Reporting Issuer is exempt from the requirements of subsection 121(1) of the Act if the New Reporting Issuer

- (a) files with the Commission on SEDAR all documents required under the equivalent requirement of Québec securities law at the same time as it is required to file those documents with the CVMQ under Québec securities law; and
- (b) sends all documents required under the equivalent requirement of Québec securities law to each Alberta security holder, other than holders of debt instruments, at the same time and in the same manner as it sends those documents to its Québec security holders;

4.3 Interim Financial Statements - The Commission orders under subsection 123(c) of the Act that, during the Transition Period, a New Reporting Issuer is exempt from the requirements of subsection 120(1) of the Act if the New Reporting Issuer

- (a) files all documents required under the equivalent requirement of Québec securities law with the Commission on SEDAR at the same time as it is required to file those documents with the CVMQ under Québec securities law; and
- (b) either
 - (i) sends all documents required under the equivalent requirement of Québec securities law to each Alberta security holder, other than holders of debt instruments, at the same time and in the same manner as it sends those documents to its Québec security holders; or
 - (ii) complies with all the requirements regarding interim financial statements described in National Policy Statement No. 41 or any successor instrument to National Policy Statement No. 41.

4.4 Proxy Solicitations - The Commission orders under subsection 184(2) of the Act that, during the Transition Period, a person or company soliciting proxies from the security holders of a New Reporting Issuer is exempt from the requirements of sections 127 and 128 of the Act and sections 164, 165, 166, 167 and 168 of the Rules if

- (a) the person or company files all documents required under the equivalent requirement of Québec securities law with the Commission on SEDAR at the same time as it is required to file those documents with the CVMQ under Québec securities law; and
- (b) the person or company sends all documents required under the equivalent requirement of Québec securities law to each of the New Reporting Issuer's security holders in Alberta, other than holders of debt instruments, at the same time and in the same manner as it sends those documents to each of the New Reporting Issuer's security holders in Québec.

- 4.5 Filing of Information Circular** - The Commission orders under subsection 123(c) of the Act that, during the Transition Period, a New Reporting Issuer is exempt from the requirements of section 124 of the Act if the New Reporting Issuer files all documents required under Québec securities law with the Commission on SEDAR at the same time as it is required to file those documents with the CVMQ under Québec securities law.
- 4.6 Reports of Insider Trades** - The Commission orders under subsection 184(2) of the Act that, during the Transition Period, an insider of a New Reporting Issuer is exempt from the requirements of section 147 of the Act if the insider files all documents required under Québec securities law with the CVMQ.
- 4.7 Early Warning Reporting** - The Commission orders under section 185 of the Act that, during the Transition Period, an offeror that acquires securities of a New Reporting Issuer is exempt from the requirements of sections 141 and 142 of the Act if the offeror complies with all equivalent requirements of Québec securities law.
- 4.8 Technical Report under NI 43-101 upon becoming a reporting issuer in Alberta** - The Commission orders under section 185 of the Act that, during the Transition Period, a New Reporting Issuer is exempt from the requirement in subsection 4.1(1) of NI 43-101 to file a current technical report with the Commission.

PART 5 RELIEF AVAILABLE DURING TRANSITION PERIOD ONLY

- 5.1** To be eligible for the relief in Part 4 of this Blanket Order, a New Reporting Issuer, person or company soliciting proxies, insider or offeror, as the case may be, must comply with the alternate requirements described in Part 4 during the Transition Period, even if the relevant documents need not be filed or sent until a later date under Québec securities law.

Dated at the City of CALGARY)	
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in the Province of ALBERTA)	
)	<u>"original signed by"</u>
this 18th day of September, 2001)	Glenda A. Campbell, Vice-Chair
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)	<u>"original signed by"</u>
)	Wendy E. Best, Q.C., Member
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