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Headnote

Registration and prospectus relief granted to permit the issuance of units as a finder's fee

Exemption Order

Almaden Minerals Ltd.

Sections 48 and 76 of the *Securities Act*, R.S.B.C. 1996, c. 418

Background

- ¶ 1 Almaden applied for an exemption from the requirements to be registered to trade and obtain receipts for a preliminary prospectus and prospectus in sections 34(1)(a) and 61 of the Act (the Registration and Prospectus Requirements) for certain intended trades.

Representations

- ¶ 2 Almaden represents that:
1. it is a company organized under the laws of British Columbia, is a reporting issuer under the Act and is not in default of any requirement of the Act or the *Securities Rules*, B.C. Reg. 194/97;
 2. its authorized capital is 100,000,000 common shares without par value;
 3. as of March 22, 2002 there were 18,488,506 common shares outstanding;
 4. the common shares trade on The Toronto Stock Exchange;
 5. it proposes to close a private placement of 2,000,000 units at a price of \$0.43 per unit; 1,230,000 units will be sold to purchasers resident outside of Canada;
 6. each unit will consist of one common share and one-half purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at \$0.51 during the first year and \$0.60 during the second year;
 7. it has agreed to pay Global Resources Investments, Ltd. (Global), a California and Nevada based NASD Introducing Broker Dealer, a fee equal to 5% of the proceeds of the sale of 1,000,000 units sold to purchasers resident outside Canada, being \$21,500.00, payable by the issuance of 50,000 units (Fee Units);

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8. Global is not an insider of Almaden or an associate of an insider of Almaden;
9. on March 8, 2002, the TSE conditionally approved the Notice of Proposed Private Placement, including the issuance of the Fee Units; and
10. but for the fact that Almaden is not an “exchange issuer” under the Act, the distribution of the Fee Units would be exempt from the Registration and Prospectus Requirements under sections 89(e)(ii) and 128(f)(ii) of the Rules.

Order

¶ 3 Because it is not prejudicial to the public interest, the Executive Director orders:

1. under sections 48 and 76 of the Act, the trades by Almaden of Fee Units to Global are exempt from the Registration and Prospectus Requirements provided that Almaden:
 - (a) provides Global with a copy of this order; and
 - (b) files a Form 45-902F on or before the 10th day after each distribution of the Fee Units to Global;
2. under section 76 of the Act, any trade in common shares acquired by Global under this order or on the exercise of the warrants, is deemed to be a distribution unless the conditions in subsections (2) or (3) of section 2.5 of Multilateral Instrument 45-102 *Resale of Securities* are satisfied.

¶ 4 March 28, 2002

Derek E. Patterson
Manager