

2002 BCSECCOM 850

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Australian issuer deemed to cease to be a reporting issuer following a plan of arrangement - Canadian shareholders hold less than 10% of securities and represent less than 10% of security holders - Canadian shareholders will continue to receive Australian continuous disclosure documents

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA AND ALBERTA

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF HERALD RESOURCES LIMITED

MRRS DECISION DOCUMENT

- ¶ 1 WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia and Alberta (the “Jurisdictions”) has received an application from Herald Resources Limited (“Herald”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that Herald be deemed to cease to be a reporting issuer in the Jurisdictions;
- ¶ 2 AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the British Columbia Securities Commission is the principal regulator for this application;
- ¶ 3 AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;
- ¶ 4 AND WHEREAS Herald has represented to the Decision Makers that:
1. Herald is a corporation incorporated under the laws of Western Australia;

2002 BCSECCOM 850

2. Herald's head office address is level 3, 50 Colin Street, West Perth, Western Australia 6005;
3. Herald became a reporting issuer in each of the Jurisdictions as a result of completing a plan of arrangement effective August 26, 2002 with International Annax Ventures Inc., previously a reporting issuer in each of the Jurisdictions;
4. Herald is not a reporting issuer or the equivalent in any other jurisdiction in Canada;
5. Herald is not in default of any requirements under the Legislation;
6. Herald has a paid up capital of A\$13,868,897, and its current issued and outstanding capital consists of 51,463,497 ordinary shares;
7. the ordinary shares of Herald are not, and have never been, listed on any Canadian stock exchange and trade only through the facilities of the Australian Stock Exchange;
8. Herald is subject to and in compliance with the securities legislation of Australia and the requirements, policies and rules of the Australian Stock Exchange;
9. there is no market in Canada for the ordinary shares of Herald;
10. Herald does not intend to make an offering of its securities to the public in Canada or to list or quote its securities on any stock exchange or market in Canada;
11. a total of 1,055,275 ordinary shares representing approximately 2.05% of the total outstanding ordinary shares of Herald are held by 100 Canadian resident shareholders, of which 36 are resident in British Columbia and 4 are resident in Alberta;
12. less than 6% of the total number of shareholders of Herald are resident in Canada, of which less than 2.14% are resident in British Columbia and less than .24% are resident in Alberta;
13. the management and directors of Herald are all located in Australia, and the assets of Herald are located in Australia and Indonesia; and
14. all shareholders of Herald resident in Canada, whether registered or unregistered, will continue to be provided with the same continuous disclosure

2002 BCSECCOM 850

documents that are provided to the shareholders of Herald resident in Australia, including audited annual financial statements;

- ¶ 5 AND WHEREAS under the System, this MRRS Decision document evidences the decision of each Decision Maker (collectively, the “Decision”);
- ¶ 6 AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;
- ¶ 7 THE DECISION of the Decision Makers under the Legislation is that Herald is deemed to cease to be a reporting issuer under the Legislation.
- ¶ 8 DATED October 7, 2002.

Brenda Leong
Director