

2002 BCSECCOM 492

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – relief granted from the requirement in National Instrument 43-101 to have a qualified person inspect the property that is the subject of a technical report – property inspection not possible during the winter

Applicable British Columbia Provisions

National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, ss. 6.2 and 9.1

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 SKYHARBOUR DEVELOPMENTS LTD.

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 Skyharbour Developments Ltd. (the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirement in National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (the “National Instrument”) that at least one qualified person preparing or supervising the preparation of a technical report inspect the property that is the subject of the technical report (the “Personal Inspection Requirement”) shall not apply to the Filer;
- ¶ 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 the Filer has represented to the Decision Makers that:
1. the Filer is a company incorporated in British Columbia with its head office in British Columbia;

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2. the Filer is a reporting issuer in each of the Jurisdictions and is not in default of any requirement of the Legislation;
3. the common shares of the Filer are listed and posted for trading on the TSX Venture Exchange (the "TSX Venture");
4. under an option agreement (the "Option Agreement") dated February 28, 2002, the Filer has the option to acquire an 80% interest in a total of 23 prospecting permits located in Nunavut known as the Coronation Gulf Properties; under the terms of the Option Agreement, the Filer, among other things, is required to fund exploration expenditures of not less than \$200,000 on the Coronation Gulf Properties on or before December 31, 2002;
5. the proposed exploration program for 2002 on the Coronation Gulf Properties is an early stage mapping, prospecting and heavy mineral till sampling program; there has been no previous work performed on the Coronation Gulf Properties and no resources have been defined to date;
6. in order to raise the funds to satisfy its exploration expenditure obligations under the Option Agreement, the Filer intends to complete an offering under a Short Form Offering Document (the "Offering Document") in accordance with the policies of the TSX Venture and also intends to file an annual information form (the "AIF");
7. the Coronation Gulf Properties are located in Nunavut, some 500 kilometres north of Yellowknife, Northwest Territories and access for proper site inspections is currently not possible due to snow cover and frozen winter conditions; site inspections will not be possible until mid-June, 2002 at the earliest, after the date the AIF and Offering Document are filed;
8. the Filer is having technical reports ("Reports") prepared for each of the five permitted areas comprising the Coronation Gulf Properties and has retained Robert F. Brown, P.Eng., a qualified person as defined in the National Instrument, to prepare the Reports in accordance with the National Instrument; and
9. the Offering Document and AIF will describe the Coronation Gulf Properties based on the information in the Reports; and

¶ 4 AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

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- ¶ 5 AND WHEREAS each Decision Maker is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;
- ¶ 6 THE DECISION of the Decision Makers under the Legislation is that the Personal Inspection Requirement will not apply to the Filer in respect of the Reports to be filed by the Filer in connection with the Offering Document and AIF, provided that the Offering Document is accepted by the TSX Venture before June 30, 2002, and the Offering Document, AIF and Reports include a statement that a personal inspection has not been conducted by the qualified person, as defined in the National Instrument, the reasons why a personal inspection was not conducted, and that relief was granted from the Personal Inspection Requirement by the Jurisdictions.
- ¶ 7 DATED June 11, 2002.

Brenda Leong
Director