

2011 BCSECCOM 370

August 2, 2011

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act*, s. 88 – Cease to be a reporting issuer in BC - The issuer's securities are traded only on a market or exchange outside of Canada - Canadian residents own less than 2% of the issuer's securities and represent less than 2% of the issuer's total number of security holders; the issuer does not intend to do a public offering of its securities to Canadian residents, will not be a reporting issuer in a Canadian jurisdiction, is subject to the reporting requirements of UK securities laws, and all shareholders receive the same disclosure

Applicable Legislative Provisions

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

In the Matter of
the Securities Legislation of
British Columbia and Alberta
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
San Leon Energy Plc
(the Filer)

Decision

Background

- ¶1 The securities regulatory authority or regulator in the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer in the Jurisdictions (the Exemptive Relief Sought).

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Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

- (a) the British Columbia Securities Commission is the principal regulator for this application; and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

- ¶2 Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

- ¶3 This decision is based on the following facts represented by the Filer:
1. the Filer is an oil and gas exploration company incorporated under the laws of Ireland; its head office is located in Dublin, Ireland;
 2. the Filer is a public company listed on the Alternate Investment Market of the London Stock Exchange (the AIM Market) and is subject to the continuous disclosure requirements of the AIM Market;
 3. all members of the Filer's management are based in Dublin, Ireland and all but one of its directors reside in Europe; the Filer's principal operations are located in Europe and Africa and none of its employees, directors or operations are located in Canada;
 4. the authorized share capital of the Filer consists of 1,500,000,000 Ordinary Shares (Ordinary Shares) of which 791,231,529 were issued and outstanding as at July 13, 2011;
 5. under a plan of arrangement (the Arrangement) made under the *Business Corporations Act* (British Columbia), the Filer acquired all of the issued and outstanding common shares in the capital of Gold Point Energy Corp. (Gold Point) effective May 28, 2009 in exchange for Ordinary Shares issued to security holders of Gold Point;
 6. Gold Point's common shares, which traded on the TSX Venture Exchange (the TSXV), were voluntarily delisted from the TSXV at the close of market on September 17, 2009;

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7. Gold Point ceased to be a reporting issuer in British Columbia effective November 9, 2009 and in Alberta effective April 6, 2010;
8. based on a shareholder report provided by Computershare Investor Services (Ireland) Limited as of July 5, 2011 (Report), there were:
 - (a) 146,428 Ordinary Shares held directly by Canadians, representing 0.018% of the outstanding Ordinary Shares; and
 - (b) 31 registered securityholders identified as Canadian representing 1.88% of registered securityholders worldwide;
9. the Filer conducted an analysis of the shareholders and holdings referenced in the Report by geographical region and by type of holder in connection with determining the percentage of Canadian shareholders and their holdings;
10. based on the foregoing, security holders resident in Canada do not:
 - (a) directly or indirectly beneficially own more than 2% of each class or series of outstanding securities of the Filer worldwide; and
 - (b) directly or indirectly comprise more than 2% of the total number of securityholders of the Filer worldwide.
11. no securities of the Filer are traded on a marketplace in Canada as defined in National Instrument 21-101 *Marketplace Operation*; the Filer has never listed nor does it intend to have its securities listed for trading on a marketplace in Canada;
12. the securities of the Filer are currently subject to a cease trade order dated April 21, 2011, as amended (the Cease Trade Order) made by the British Columbia Securities Commission;
13. the Cease Trade Order was issued because the Filer had not filed a comparative financial statement for its financial year ended December 31, 2009, as required under National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102), interim financial statements for the periods ended September 30, 2009, March 31, 2010, June 30, 2010, and September 30, 2010, as required under NI 51-102, and related management's discussion and analysis as required under NI 51-102;

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14. the Filer is also in default of the requirement to file its financial statements and management's discussion and analysis for the year ended December 31, 2010 and the interim period ended March 31, 2011;
15. the Filer is not in default of any of its obligations under the Cease Trade Order or the Legislation, except for the deficiencies that led to the issuance of the Cease Trade Order and the defaults described in paragraph 14;
16. the Filer is not in default of any of its reporting obligations under United Kingdom securities law and the AIM Market rules;
17. the material filed by the Filer under its reporting obligations under the AIM Market rules is available on the Filer's website, www.sanleonenergy.com; information concerning the Filer is also available through the London Stock Exchange website, www.londonstockexchange.com;
18. the Filer undertakes to concurrently deliver to its security holders in Canada all disclosure materials required to be delivered to security holders resident in the United Kingdom, in the manner required by United Kingdom securities law and the requirements of the AIM Market rules;
19. on July 13, 2011 the Filer issued a news release announcing that the Filer has submitted an application to cease to be a reporting issuer in the Jurisdictions, and that if relief is granted, the Filer will not be a reporting issuer or the equivalent in any jurisdiction in Canada;
20. the Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the Exemptive Relief Sought;
21. in the last 12 months, the Filer has not conducted an offering of its securities in Canada or taken any steps that indicate there is a market for its securities in Canada; the Filer has no plans to raise financing by way of a public or private offering of its securities in Canada;
22. upon the grant of the Exemptive Relief Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada; and
23. the Filer has been advised by staff of the British Columbia Securities Commission that the Cease Trade Order will be revoked concurrently upon the grant of the Exemptive Relief Sought.

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Decision

- ¶4 The Decision Maker is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief is granted provided that the Filer continues to concurrently deliver to its security holders in Canada all disclosure materials required to be delivered to security holders resident in the United Kingdom, in the manner required by United Kingdom securities law and the requirements of the AIM Market rules.

Martin Eady, CA
Director, Corporate Finance
British Columbia Securities Commission