

2011 BCSECCOM 344

July 6, 2011

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* – s. 2.7 - An issuer is holding a shareholder meeting; there is a mail service disruption; the issuer cannot comply with its obligations to send proxy-related materials to its shareholders within the periods prescribed by securities law due to the disruption of mail service; all matters submitted to the meeting are routine and would be considered to be non-contentious; the issuer has taken reasonable steps to notify shareholders of the meeting and where proxy-related materials are available; the issuer sends the proxy-related materials to shareholders upon resumption of mail service.

Applicable Legislative Provisions

National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* – s. 2.7

In the Matter of
the Securities Legislation of
British Columbia
(the Jurisdiction)

and

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

and

In the Matter of
Dorato Resources Inc.
(the Filer)

Decision

Background

- ¶ 1 The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the

2011 BCSECCOM 344

principal regulator (the Legislation) exempting the Filer from provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer (NI 54-101) that require the Filer to send proxy-related materials to its beneficial owners holding through Canadian intermediaries (the Beneficial Owners) in connection with the 2011 Meeting (as defined below) within the time periods prescribed by NI 54-101 (the Exemption Sought).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 – Passport System (MI 11-102) is intended to be relied upon in Alberta.

Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 – Definitions (NI 14-101) and MI 11-102 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 a corporation incorporated under the Business Corporations Act (British Columbia);
 - 2. the Filer's head office is located at 2300 – 1177 West Hastings Street, Vancouver, BC, V6E 2K3;
 - 3. the authorized capital of the Filer consists of 100,000,000 common shares (the Shares) of which 76,139,985 Shares were issued and outstanding as of June 22, 2011;
 - 4. the Shares are listed and posted for trading on the TSX Venture Exchange;
 - 5. the Filer intends to hold an annual meeting of its shareholders on July 12, 2011 (the 2011 Meeting); the following matters will be submitted to the meeting:
 - (a) review and consider the audited comparative financial statements as at and for the financial year ended January 31, 2011 and the auditors' report thereon;

2011 BCSECCOM 344

- (b) elect directors;
 - (c) appoint auditors and to authorize the Board of Directors to fix their remuneration;
 - (d) ratify and approve the continuation of the rolling incentive stock option plan; and
 - (e) transact such other business as may properly come before the meeting.
6. no matter requiring a special resolution of shareholders will be put before the 2011 Meeting and, therefore, the 2011 Meeting will not be considered a “special meeting” for the purposes of NI 54-101;
 7. in the Filer’s reasonable opinion, none of the matters to be put before the 2011 Meeting would be considered by a shareholder to be a contentious matter;
 8. NI 54-101 requires the Filer to deliver proxy materials to intermediaries for delivery to those Beneficial Owners that have requested materials for annual meetings;
 9. it was the Filer’s intention to deliver all materials in respect of the 2011 Meeting (the 2011 Meeting Materials) to its intermediaries for delivery to those Beneficial Owners that have requested materials for annual meetings within the time periods prescribed by NI 54-101;
 10. on June 15, 2011, Canada Post locked out the Canadian Union of Postal Workers (the Postal Lockout) and suspended all mail service in Canada;
 11. the Postal Lockout continued until June 27, 2011 and mail service resumed on June 28, 2011;
 12. due to the Postal Lockout, the Filer was unable to send the 2011 Meeting Materials to the intermediaries for delivery to Beneficial Owners within the time periods prescribed by NI 54-101;
 13. the Filer caused the intermediaries to mail the 2011 Meeting Materials to Beneficial Owners when mail service resumed on June 28, 2011;
 14. the Filer filed the notification and record dates required by NI 54-101 on May 13, 2011;

2011 BCSECCOM 344

15. the Filer has filed the 2011 Meeting Materials on SEDAR as required by National Instrument 51-102 *Continuous Disclosure Obligations*; and
16. on June 28, 2011 the Filer disseminated a news release notifying shareholders that:
 - (a) the Postal Lockout may affect the mailing of the 2011 Meeting Materials;
 - (b) the 2011 Meeting Materials are posted on SEDAR under the Filer's issuer profile; and
 - (c) shareholders may request the 2011 Meeting Materials from the Filer at no charge.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted, provided that Representations 6 and 7 remain true as at the date of the 2011 Meeting.

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