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September 28, 2009

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – National Instrument 51-102 - BAR – An issuer requires relief from the requirement to include certain financial statements in a business acquisition report - The issuer has acquired a UK company, which has significant equity investments in other UK companies; the BAR will include all required financial statements except the pro forma consolidated interim income statement of the filer; the information needed to prepare this statement is not available; the statement would not be useful to investors as it would not include any financial information about the acquired company not already included in the other financial statements filed

Applicable British Columbia Provisions

National Instrument 51-102 *Continuous Disclosure Obligations*, ss. 8.4(5) and 9.1

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

and

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

and

In the Matter of
Western Canadian Coal Corp.
(the Filer)

Decision

Background

- ¶ 1 The securities regulatory authority or regulator in each of 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 be

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exempted from complying with section 8.4(5) of National Instrument 51-102, *Continuous Disclosure Obligations* (NI 51-102), pursuant to which a business acquisition report must include a pro forma income statement for the interim period for which the Filer has filed financial statements that started after the most recently completed financial year for which the Filer has filed financial statements and ended immediately before the date of acquisition (the Requested Relief).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (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, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador and Prince Edward Island; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the other securities regulatory authority or regulator in Ontario.

Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 *Definitions* have the same meaning as is 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 company incorporated under the laws of British Columbia;
 - 2. the Filer's registered office is located at 1600 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2 and its head office is located at 900 - 580 Hornby Street, Vancouver, British Columbia, V6C 3B6;
 - 3. the Filer's primary business is acquiring, exploring and developing coal mining properties for the international metallurgical coal markets, with a current focus on coal mining in northeastern British Columbia, West Virginia and Wales;
 - 4. the Filer is a reporting issuer each of the provinces of Canada, except Québec, and is not in default of its reporting issuer obligations in any jurisdiction;
 - 5. the Filer's year end for accounting purposes is March 31;

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6. the Filer's common shares are listed on the Toronto Stock Exchange (TSX) and the Alternative Investment Market of the London Stock Exchange (AIM) under the symbol "WTN"; certain share purchase warrants and convertible debentures of the Filer are also listed on the TSX under the symbol "WTN.WT" and "WTN.DB", respectively;
7. as disclosed in a press release dated May 20, 2009 and a material change report dated May 26, 2009, the Filer and Cambrian Mining plc (Cambrian) entered into a combination agreement, pursuant to which the Filer agreed to acquire all of the issued and outstanding ordinary shares of Cambrian (the Combination);
8. as disclosed in a press release dated July 13, 2009 and a material change report dated July 23, 2009, the Combination was completed on July 13, 2009 and the Filer became the sole beneficial holder of all of the ordinary shares of Cambrian; in connection with the Combination, the name of Cambrian was changed from Cambrian Mining plc to Cambrian Mining Limited;
9. Cambrian is a corporation incorporated under the laws of the United Kingdom. Cambrian's registered office is located at 27 Albemarle Street, London W1S 4DW United Kingdom;
10. prior to the Combination, Cambrian was a public company in the United Kingdom whose shares were admitted to trading on AIM under the symbol "CBM";
11. Cambrian's year end for accounting purposes is June 30;
12. as a United Kingdom based company, Cambrian only prepares and files annual and half-year financial statements and is not required to prepare, and has not previously prepared, quarterly financial statements (*i.e.* March 31, 2009 interim financial statements);
13. the Combination was a "significant acquisition" for the Filer, within the meaning of section 8.3 of National Instrument 51-102, *Continuous Disclosure Obligations* (NI 51-102), for which the Filer is required to file a business acquisition report (BAR) in accordance with section 8.2 of NI 51-102 within 90 days after the date of the Combination;
14. pursuant to section 8.4 of NI 51-102, the Filer is required to include the following financial statements in the BAR:

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- (a) the audited annual financial statements of Cambrian for the years ended June 30, 2009 and 2008 together with the notes thereto and the auditors report thereon (the Audited Annual Financial Statements);
 - (b) a pro forma consolidated balance sheet of the Filer as at June 30, 2009 (the Pro Forma Balance Sheet);
 - (c) the unaudited pro forma consolidated statement of operations of the Filer for the year ended March 31, 2009, which combine the consolidated statement of operations of the Filer for the year ended March 31, 2009 with the consolidated statement of operations of Cambrian for the year ended June 30, 2009 (the Pro Forma Income Statement and together with the Pro Forma Balance Sheet, the Pro Forma Annual Financial Statements); and
 - (d) the unaudited pro forma consolidated income statement of the Filer for the three month period ended June 30, 2009 (the Pro Forma Interim Income Statement);
15. the Filer will include the Audited Annual Financial Statements and the Pro Forma Annual Financial Statements in the BAR;
16. pursuant to section 8.4 of NI 51-102, the Pro Forma Annual Financial Statements will be prepared based on the Filer's audited annual consolidated financial statements for the year ended March 31, 2009, the Filer's unaudited interim consolidated balance sheet as at June 30, 2009 and Cambrian's audited annual financial statements for the year ended June 30, 2009;
17. the Pro Forma Annual Financial Statements will include information regarding Cambrian up to June 30, 2009; the Pro Forma Interim Income Statement would not include any additional financial information relating to Cambrian not already included in the annual consolidated financial statements for the year ended June 30, 2009 and reflected in the Pro Forma Annual Financial Statements;
18. Cambrian has ownership positions in two public companies based in the United Kingdom that are equity-accounted for by Cambrian, and which companies do not report on a quarterly basis; the Filer and Cambrian do not have any degree of control over the financial reporting of the investee companies and, accordingly, Cambrian is not in a position to include financial information relating to the investee companies in a quarterly interim consolidated financial statement for the three months ended June 30, 2009; as

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a result, it is not possible for the Filer to prepare a complete Pro Forma Interim Income Statement;

19. the financial information of Cambrian for the period ended June 30, 2009 will be included in the Pro Forma Annual Financial Statements, which will provide sufficient financial information relating to Cambrian for the purposes of the BAR; and
20. the interim consolidated financial statements of the Filer for the six month period ended September 30, 2009 will be filed prior to November 15, 2009 and will incorporate financial information relating to Cambrian on a consolidated basis.

Decision

- ¶ 4 Each of the Decision Makers 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 Requested Relief is granted provided that the Filer files a BAR for the Combination that includes the Audited Annual Financial Statements and the Pro Forma Annual Financial Statements.

Andrew S. Richardson, CA
Acting Director, Corporate Finance
British Columbia Securities Commission