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### Headnote

Securities Act, s. 76 – Exemption from s. 61 requirement to file a prospectus in connection with a distribution – First trade relief for securities acquired under an exemption that are subject to a restricted period – The Filer is a reporting issuer with a current continuous disclosure record available on SEDAR; the sellers acquired the securities under the short form offering document exemption; securities acquired in excess of \$40,000 are subject to restrictions on resale

### Exemption Order

#### Sultan Minerals Inc.

#### Section 76 of the *Securities Act*, R.S.B.C. 1996, c. 418

### Background

- ¶ 1 Sultan Minerals Inc. (the Issuer) applied for an exemption from the prospectus requirement in section 61 of the Act for first trades of the Base Securities (as defined below) to be acquired by seven investors in British Columbia who each will purchase more than \$40,000 under an exempt offering.

### Representations

- ¶ 2 The Issuer represents that:
1. it is a British Columbia company incorporated on March 17, 1989, with its head office in British Columbia;
  2. it is a reporting issuer in British Columbia and is not, to its knowledge, in default of any requirement of the Act or the Securities Rules;
  3. the authorized capital of the Issuer consists of an unlimited number of common shares, of which 62,439,384 are issued and outstanding as of January 9, 2007;
  4. the Issuer's common shares are listed and quoted for trading on the TSX Venture Exchange;
  5. the Issuer proposes to undertake a distribution of 9,375,000 units, each unit consisting of one common share and one non-transferable common share purchase warrant (the Offered Securities) to purchasers in British Columbia and Malaysia (the Offering);

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6. the Offered Securities will be distributed in reliance on the exemption in section 5.2 of National Instrument 45-106 *Prospectus and Registration Exemptions* and in compliance with Policy 4.6 of the TSX Venture Exchange (the Policy);
7. the Policy provides that a purchaser who acquires more than \$40,000 of securities will be subject to a four month hold period on the portion of those securities acquired which are in excess of \$40,000;
8. section 2.5 of National Instrument 45-102 *Resale of Securities* imposes a four-month restricted period on the first trade of all Offered Securities acquired by purchasers who purchase Offered Securities with an aggregate purchase price in excess of \$40,000;
9. seven of the proposed purchasers under the Offering (the Excess Purchasers) have indicated an intention to purchase Offered Securities having an aggregate purchase price in excess of \$40,000 to each Excess Purchaser;
10. each of the Excess Purchasers is a resident of British Columbia; and
11. in the absence of an exemption order, the first trade of Offered Securities (and securities underlying those Offered Securities) acquired by an Excess Purchaser with an aggregate purchase price of up to \$40,000 (the Base Securities) would constitute a distribution under subsection 2.5(1) of NI 45-102.

### Order

¶ 3 Because it considers that to do so would not be prejudicial to the public interest, the Executive Director orders, under section 76 of the Act, that the first trade of Base Securities by an Excess Purchaser is exempt from the prospectus requirement in section 61 of the Act.

¶ 4 January 10, 2007

Noreen Bent  
Manager, Corporate Finance  
British Columbia Securities Commission