

2002 BCSECCOM 223

Headnote

Issuer deemed to cease to be a reporting Issuer. Issuer's securities are publicly traded, but not on any market in Canada. Canadian shareholders hold less than 10% of the issued and outstanding shares and will continue to receive foreign jurisdiction continuous disclosure documents.

ORDER UNDER SECTION 88 OF THE *SECURITIES ACT*, R.S.B.C. 1996, c. 418

ANTS SOFTWARE INC.

Background

[para 1]

ANTs software inc. applied to be deemed to cease to be a reporting issuer;

Representations

[para 2]

ANTs represents that:

1. it is incorporated under the laws of Delaware;
2. it is a reporting issuer under the Act and is the subject of a cease trade order for failure to file certain financial statements;
3. it is subject to the reporting requirements of the *Securities Exchange Act of 1934* of the United States (1934 Act) and is not in default of any requirements under the 1934 Act;
4. its authorized capital consists of 100,000,000 common shares of which 14,632,605 common shares were issued and outstanding as of May 9, 2001;
5. its common shares are traded on the NASD OTC Bulletin Board and are not listed or quoted on any other exchange or market in Canada or elsewhere;
6. as of May 9, 2001, 224,587 common shares, representing approximately 1.53% of its total outstanding common shares, were held by 21 Canadian holders, including intermediaries, and of those holders, 13 have addresses in British Columbia;
7. it has no other securities, including debt securities, outstanding, except for options and warrants entitling the holder to purchase common shares; the option holders and warrant holders do not reside in Canada;
8. its management, assets and business are primarily located in the United States and its business is conducted exclusively outside of Canada;
9. there is no market in Canada for its common shares;
10. it will comply with Rule 14a-13 under the 1934 Act with respect to Canadian intermediaries, so that beneficial owners of common shares resident in Canada will continue to receive copies of all disclosure materials provided to holders of common shares resident in the United States; and
11. it does not intend to seek public financing by way of an offering of its securities in Canada;

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Order

[para 3]

Because it is not prejudicial to the public interest, the Executive Director orders, under section 88 of the Act, that ANTs is deemed to cease to be a reporting issuer.

[para 4]

DATED March 15, 2002.

Rosann Youck
Acting Manager