

2010 BCSECCOM 491

August 18, 2010

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 securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market - The issuer falls within the definition of “closely held reporting issuer” contained in BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* as the securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market

Applicable British Columbia Provisions

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

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec
(the Jurisdictions)

and

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

In the Matter of
Corriente Resources Inc.
(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 is not a reporting issuer in the Jurisdictions (the Exemptive Relief Sought).

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

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- (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 a British Columbia company that was incorporated on February 16, 1983 and is governed by the *Business Corporations Act* (British Columbia); its head office is located at Suite 520 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6;
 2. the Filer is a reporting issuer in each of the Jurisdictions;
 3. the Filer's authorized capital consists of an unlimited number of common shares without par value;
 4. CRCC-Tongguan Investment (Canada) Co., Ltd. (the Offeror) was incorporated under the laws of British Columbia on December 30, 2009, and is a wholly-owned direct subsidiary of CRCC-Tongguan Investment Co., Ltd, which in turn is a jointly-owned direct subsidiary of Tongling Nonferrous Metals Group Holdings Co., Ltd. (Tongling) and China Railway Construction Corporation Limited (CRCC);
 5. Tongling, a state-owned corporation existing under the laws of the People's Republic of China, is an integrated mining conglomerate; CRCC, a state-controlled, public corporation existing under the laws of the People's Republic of China, is a large integrated construction enterprise;
 6. on May 31, 2010, the Offeror acquired 76,478,495 common shares (Common Shares) of the Filer representing 96.9% of the issued and outstanding Common Shares of the Filer pursuant to its offer dated February 1, 2010, as amended by the Notice of Extension dated March 25, 2010 and by the Notice of Extension dated April 26, 2010 (the Offer) to purchase all of the issued and outstanding Common Shares at a price of Cdn.\$8.60 per Common Share;

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7. as at May 31, 2010, all outstanding options to purchase Common Shares of the Filer had been exercised in full, cancelled or irrevocably released, surrendered or waived;
8. on August 4, 2010, the Offeror completed a compulsory acquisition of all the Common Shares of the Filer not tendered under the Offer in accordance with the provisions of section 300 of the *Business Corporations Act* (British Columbia) (the Compulsory Acquisition), and the Filer became a wholly-owned subsidiary of the Offeror;
9. the outstanding securities of the Filer are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
10. the Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except that it may not have filed by August 16, 2010 its interim financial statements and related management's discussion and analysis for the interim period ended June 30, 2010 (the "Interim Filings"), as required under National Instrument 51-102 *Continuous Disclosure Obligations*, and the certificates of Interim Filings as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;
11. the Filer's Common Shares were listed and posted for trading on the Toronto Stock Exchange under the symbol "CTQ"; the Filer's Common Shares were delisted from trading on the Toronto Stock Exchange effective as of the close of business on August 4, 2010;
12. no securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 – *Marketplace Operation*;
13. the Filer has no current intention to seek public financing by way of offering of securities;
14. the Filer is applying for a decision that it is not a reporting issuer in all jurisdictions of Canada in which it is currently a reporting issuer;
15. the Filer did not voluntarily surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-102 *Voluntary Surrender of Reporting Issuer Status* (the BC Instrument) in order to avoid the 10-day waiting period under the BC Instrument;
16. the Filer may not be eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a decision that an Issuer is not a Reporting*

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Issuer because it is a reporting issuer in British Columbia and because it may be in default of certain filing obligations under the Legislation as described in paragraph 10 above;

17. the Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

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 Exemptive Relief Sought is granted.

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