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Headnote

Securities Act s. 48, 76 – Corp Acquisitions & Reorgs – relief from registration and prospectus requirements in ss. 34(1)(a) and 61 – Trades in securities of an issuer for the acquisition of an asset by the issuer’s subsidiary – The asset is an interest in a resource property; in consideration for the issuer’s securities, the owner of the asset will transfer the asset to the issuer’s wholly-owned subsidiary

Exemption Order

Great Panther Resources Limited

Sections 48 and 76 of the Securities Act, R.S.B.C. 1996, c. 418

Background

- ¶ 1 Great Panther Resources Limited (Great Panther) has applied for an exemption from the requirements to be registered to trade and to file and obtain receipts for a preliminary prospectus and prospectus in sections 34(1)(a) and 61 of the Act (the registration and prospectus requirements) for certain intended trades.

Representations

- ¶ 2 Great Panther represents that:
1. it was incorporated in British Columbia on November 30, 1965, was continued to Yukon on March 22, 1996, and was continued to British Columbia on July 9, 2004;
 2. its authorized share capital consists of an unlimited number of common shares, Class A preferred shares, and Class B preferred shares; as of August 25, 2006, 65,750,172 common shares, and no preferred shares, were issued and outstanding;
 3. it is a reporting issuer in British Columbia and Alberta and is not in default of any requirements of the securities legislation in these jurisdictions;
 4. its common shares are listed for trading on the TSX Venture Exchange (Exchange);

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5. it is the registered and beneficial owner of 99% of the issued shares of Minera Mexicana El Rosario, S.A. de C.V. (MMR); the remaining 1% of MMR is held by Kaare Glenne Foy in trust for Great Panther and, as a result, Great Panther is the beneficial owner of 100% of the issued and outstanding share capital of MMR;
6. MMR is a corporation incorporated under the laws of Mexico and is not a reporting issuer in any province or territory of Canada;
7. MMR is party to an option agreement effective as of September 11, 2006, with Minera Apolo S.A. de C.V. (Apolo), (the agreement), under which MMR, and Great Panther through MMR, has the right to acquire an interest (option) in certain mining concessions, equipment, buildings and structures located in Durango State, Mexico (collectively, the property);
8. under the laws of Mexico, only Mexican citizens and Mexican corporations can hold mining concessions;
9. the agreement requires MMR to pay to Apolo an aggregate US\$3,000,000 and cause Great Panther to issue to Apolo 500,000 common shares over a 4 year period, to exercise the option;
10. upon exercise of the option, MMR will have acquired all of Apolo's right and interest in the property, subject to a 3% net smelter return royalty, 2% of which MMR can purchase for US\$2,000,000;
11. the Exchange has approved the issuance of 500,000 shares under the agreement;
12. if Great Panther acquired the property directly rather than through its wholly-owned subsidiary MMR, it could rely on the registration and prospectus exemptions in sections 45(2)(21) and 74(2)(18) of the Act or section 2.13 of National Instrument 45-106 *Prospectus and Registration Exemptions* to distribute the shares as part of the consideration for the property .

Order

¶ 3 Considering that it is not prejudicial to the public interest, the Commission orders that:

1. under sections 48 and 76 of the Act, Great Panther is exempt from the registration and prospectus requirements for trades of its shares to Apolo under the agreement, provided that Great Panther files a Form 45-106F1 and pays the required fee within 10 days of each distribution; and

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2. under section 76 of the Act, any trade in the Great Panther shares issued under this Order is deemed to be a distribution unless the conditions in subsection 2.5(2) of National Instrument 45-102 *Resale of Securities* are satisfied.

¶ 4 October 13, 2006

Noreen Bent
Manager, Legal Services, Corporate Finance
British Columbia Securities Commission