

2010 BCSECCOM 628

November 11, 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 and Ontario
(the Jurisdictions)

and

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

and

In the Matter of
AuEx Ventures, Inc. (the Filer)

Decision

Background

- ¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions 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 (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 corporation incorporated under the *Business Corporations Act* (British Columbia) on May 10, 2004;
 2. the Filer is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario;
 3. the Filer has applied for a decision that it is not a reporting issuer in all of the Jurisdictions in which it is currently a reporting issuer;
 4. on November 2, 2010, all of the Filer's outstanding securities were acquired by Frontier Gold Inc. by way of a plan of arrangement (Arrangement) under the provisions of the *Business Corporations Act* (British Columbia);
 5. as a result of the Arrangement, the outstanding securities of the Filer are beneficially owned by less than 15 security holders in each of the Jurisdictions and less than 51 security holders in total in Canada;
 6. the Filer's common shares were delisted from the Toronto Stock Exchange (formerly trading under stock symbol "XAU") effective at the close of the market on November 5, 2010;
 7. no securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
 8. the Filer is not in default of any of its obligations under the Legislation as a reporting issuer;
 9. the Filer did not voluntarily surrender its status as a reporting issuer in British Columbia under British Columbia Instrument 11-502 *Voluntary Surrender of*

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Reporting Issuer Status in order to avoid the minimum 10 day waiting period under such instrument; and

10. the Filer did not use the simplified procedure under CSA Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is a reporting issuer in British Columbia.

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