



Citation: 2022 BCSECCOM 374

## Settlement Agreement

### MGX Minerals Inc. and Jared Michael Lazerson

#### *Securities Act, RSBC 1996, c. 418*

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director), MGX Minerals Inc. (MGX), and Jared Michael Lazerson (Lazerson) agree as follows:

#### **Agreed Statement of Facts**

##### ***Background***

1. MGX is a mining company incorporated in British Columbia. It is a reporting issuer in British Columbia and its shares trade on the Canadian Securities Exchange.
2. At all relevant times, Lazerson was MGX's president, CEO and a director. He is a resident of Vancouver, British Columbia.
3. MGX and Lazerson have no prior history of disciplinary proceedings under the *Securities Act* (the Act).

##### ***Misconduct***

4. MGX retained and paid Stock Social Inc. (Stock Social), a marketing company, to conduct investor relations activities (IR Activities) on its behalf. The IR Activities provided from March 2017 to August 2017 included:
  - preparation and dissemination of six advertorials, drafted by Stock Social staff and/or third parties retained and paid by Stock Social, about MGX on newswires and websites, and
  - multiple promotional posts about MGX by seventeen social media influencers, retained and paid by Stock Social, on various social media platforms including Twitter, Facebook, and LinkedIn.
5. The advertorials were written in the style of news articles designed to look and read like objective journalistic content. Some inconspicuously directed readers to a disclaimer on a separate website. Others indicated a fee had been paid but neither the payor nor the payee was identified. Others indicated MGX as the source but stated that the author was a third-party and that the content was not the company's opinion.
6. None of the promotional social media posts disclosed they were issued on behalf of MGX.



7. MGX admits it contravened section 52(2) of the Act by failing to ensure that the advertorials and social media posts clearly and conspicuously disclosed they were issued on behalf of MGX.
8. Lazerson represented MGX during its engagement of Stock Social. He reviewed, revised, and approved some content prepared for MGX by Stock Social staff or third parties.
9. Lazerson admits, as MGX's president, CEO and a director, he authorized, permitted or acquiesced in MGX's contravention of section 52(2) of the Act and therefore he contravened the same provision by operation of section 168.2.

***Mitigating Factors***

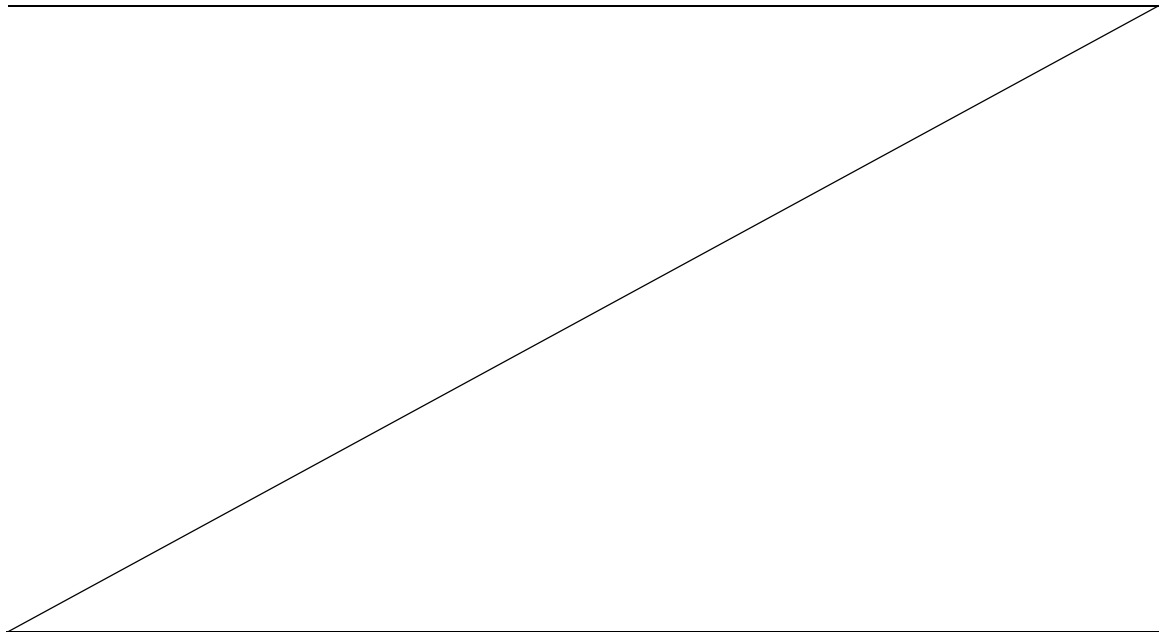
10. MGX and Lazerson made admissions with respect to their misconduct prior to the commencement of the hearing of this matter.

***Undertakings***

11. MGX undertakes to pay \$25,000 to the Commission in respect of settlement of this matter, which sum is due and payable immediately without further demand.
12. Lazerson undertakes to pay \$10,000 to the Commission in respect of settlement of this matter, which sum is due and payable immediately without further demand.

***Waiver***

- ¶ 2 MGX and Lazerson waive any right they may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.





**Counterpart**

¶ 3 This Settlement Agreement may be signed in counterpart and all such counterparts of signed copies, whether delivered electronically or otherwise, shall be read or construed together as if they formed one originally executed document.

¶ 4 September 13, 2022

¶ 5 MGX Minerals Inc.  
MGX Minerals Inc.  
(Signing Authority)

Redacted )  
Witness Signature )  
Redacted )  
Witness Name (please print) )  
Redacted )  
 )  
Redacted )  
Address )  
Redacted )  
Occupation )

¶ 6 September 13, 2022

¶ 7 Jared Michael Lazerson  
Jared Michael Lazerson

Redacted )  
Witness Signature )  
Redacted )  
Witness Name (please print) )  
Redacted )  
 )  
Redacted )  
Address )  
Redacted )  
Occupation )

*Peter J Brady*  
*Sep 14 2022 4:36 PM -07:00*

¶ 8 Peter J. Brady  
Executive Director