

# 2003 BCSECCOM 146

## **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications - relief from the registration and prospectus requirements to allow issuer to issue shares where exemptions not available because fair market value of assets acquired by the issuer is less than minimum \$100,000 - first trade subject to conditions

## **Applicable British Columbia Provisions**

*Securities Act*, R.S.B.C. 1996, c. 418, ss. 34(1)(a), 45(2)(6), 48, 61, 74(2)(5), 76  
Multilateral Instrument 45-102, *Resale of Securities* ss. 2.5(2) or (3)

## **IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA AND ALBERTA**

**AND**

## **IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS**

**AND**

## **IN THE MATTER OF CANTECH VENTURES INC.**

## **MRRS DECISION DOCUMENT**

- ¶ 1 WHEREAS the local securities regulatory authority or regulatory (the “Decision Maker”) in each of British Columbia and Alberta (the “Jurisdictions”) has received an application from Cantech Ventures Inc. (the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the issuance by the Filer of a total of 416,250 common shares of the Filer (the “Shares”) to Navigator Exploration Corp. (“Navigator”) (as to 208,125 Shares) and Tyler Resources Inc. (“Tyler”) (as to 208,125 Shares) shall be exempt from the requirements contained in the Legislation to be registered to trade and to file and obtain a receipt for a preliminary prospectus and a prospectus (the “Registration and Prospectus Requirements”), subject to certain conditions;
- ¶ 2 AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the British Columbia Securities Commission is the principal regulator for this application;

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¶ 3 AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 – Definitions;

¶ 4 AND WHEREAS the Filer has represented to the Decision Makers that:

1. the Filer, a company continued under the laws of British Columbia, is a reporting issuer under the Legislation and is not in default of any requirement of the Legislation;
2. the authorized capital of the Filer consists of 100,000,000 common shares without par value, of which 17,670,730 common shares were issued and outstanding as of December 10, 2002;
3. the common shares of the Filer are listed on the TSX Venture Exchange (the “Exchange”);
4. during the course of the past year, the Filer, together with Earthstar Diamonds Ltd. (“Earthstar”) and International Samuel Exploration Corp. (“Samuel”) (the Filer, Earthstar and Samuel collectively referred to as “CEC”) have acquired various mineral claims located in the Northwest Territories; CEC subsequently pooled their interests in the claims (the “Pooled Properties”) so that each company now owns a 1/3 interest in the Pooled Properties;
5. Navigator and Tyler are companies that had previously completed work on certain mineral claims contained in the Pooled Properties (which claims are commonly referred to as the “Crystal Property”);
6. under an agreement among Navigator, Tyler and CEC, dated July 15, 2002, as amended, Navigator and Tyler agreed to sell data relating to previous work they completed on the Crystal Property in consideration for \$108,291.66 payable by way of issuance of common shares of CEC as follows:
  - (a) the Filer will issue a total of 416,250 common shares - 208,125 shares to Navigator and 208,125 shares to Tyler;
  - (b) Earthstar will issue a total of 95,238 common shares - 47,619 shares to Navigator and 47,619 shares to Tyler; and
  - (c) Samuel will issue a total of 183,332 Shares - 91,666 Shares to Navigator and 91,666 Shares to Tyler;

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7. by letter dated February 12, 2003 from the Exchange to the Filer, the Exchange approved the issuance of the Filer's Shares to Navigator and Tyler;

¶ 5 AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

¶ 6 AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

¶ 7 THE DECISION of the Decision Makers under the Legislation is that the Registration and Prospectus Requirements shall not apply to the issuance of the Shares, provided that the first trade in the Shares acquired pursuant to this Decision in a Jurisdiction shall be deemed to be a distribution under the Legislation of such Jurisdiction unless the conditions in subsection (2) or (3) of section 2.5 of MI 45-102 *Resale of Securities* are satisfied.

¶ 8 February 18, 2003

Brenda Leong  
Director