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Headnote

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

Trigon Uranium Corp.

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

Background

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

Representations

- ¶ 2 Trigon Uranium represents that:
1. it was incorporated on November 2, 2002;
 2. its authorized share capital consists of an unlimited number of common shares, of which 61,728,142 shares were issued and outstanding as at September 26, 2007;
 3. it is a reporting issuer under the Act and is not in default of any requirements of the Act or the *Securities Rules*, B.C. Reg. 194/97;
 4. its shares are listed for trading on the TSX Venture Exchange (Exchange);
 5. it is the recorded owner of 100% of the issued and outstanding share capital of Trigon Exploration Red Canyon Inc. (Trigon Utah);
 6. Trigon Utah is a corporation incorporated under the laws of the State of Utah, U.S.A., and is not a reporting issuer under the Act;
 7. Trigon Utah entered into an agreement (Purchase Agreement) with Daniel Shumway (the Vendor) and Trigon Uranium effective September 12, 2007 to purchase from the Vendor certain federal unpatented mineral claims located in the State of Utah, United States (the Property);

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8. under the laws of the United States, only U.S. citizens or U.S. corporations can hold federal unpatented mining claims;
9. in order to purchase the Property, the Purchase Agreement requires Trigon Uranium to issue to the Vendor or the Vendor's nominees 137,500 common shares (Trigon Shares) in the capital of Trigon Uranium, to pay US\$45,000 to the Vendor (Cash Payment) and to grant a net value royalty (Royalty) in respect of the Property to the Vendor or the Vendor's nominees in an amount that varies depending upon the spot price of uranium from time to time;
10. upon issuance of the Trigon Shares, payment of the Cash Payment and granting of the Royalty, Trigon Utah will have acquired all of the Vendor's right and interest in and to the Property;
11. the Exchange has accepted the Agreement for filing; and
12. if Trigon Uranium acquired the Property directly, rather than through its wholly-owned subsidiary Trigon Utah, Trigon Uranium 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 Trigon Shares as part of the consideration.

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, Trigon Uranium is exempt from the registration and prospectus requirements for trades of Trigon Shares to the Vendor or the Vendor's designees under the Purchase Agreement provided that Trigon Uranium files a form 45-106F1 within 10 days of distributing the Trigon Shares or any portion thereof; and
2. under section 76 of the Act, any trade in the Trigon 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 9, 2007

Noreen Bent
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British Columbia Securities Commission