

2011 BCSECCOM 129

February 16, 2011

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 and Alberta
(the Jurisdictions)

and

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

and

In the Matter of
Western Standard Metals Ltd.
(the Filer)

Decision

Background

- ¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) 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 in the Jurisdictions (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 British Columbia corporation that was formed on November 24, 2003 as a result of an amalgamation and is governed by the *Business Corporations Act* (British Columbia) (BCBCA);
 2. the head office of the Filer is located at Suite 960 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9;
 3. the Filer is a reporting issuer in the Provinces of British Columbia and Alberta;
 4. 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; once the Exemptive Relief sought is granted, the Filer will not be a reporting issuer in any jurisdiction of Canada;
 5. the Filer's authorized share capital consists of an unlimited number of common shares without par value of which 64,523,352 were issued and outstanding (the Common Shares) as of January 24, 2011;
 6. effective January 25, 2011, all of the Filer's issued and outstanding Common Shares were acquired by Terraco Gold Corp. by way of a plan of arrangement (the Arrangement) under the provisions of the BCBCA;
 7. as a result of the Arrangement, the outstanding securities of the Filer are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada;
 8. the Common Shares were delisted from trading on the TSX Venture Exchange at the close of business on January 26, 2011 and as a result no securities of the

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Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;

9. the Filer has no current intention to seek public financing by way of an offering of its securities;
10. the Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except for filing its interim financial statements, MD&A and related certification for the period ended November 30, 2010;
11. the Filer did not voluntarily surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* (the BC Instrument) in order to avoid the 10-day waiting period under the BC Instrument; and
12. the Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is a reporting issuer in British Columbia and is in default of the Legislation as described in paragraph 10 above.

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