

2010 BCSECCOM 206

April 6, 2010

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act*, s.88 - 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
Alberta, British Columbia, Manitoba and Ontario
(the Jurisdictions)

and

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

and

In the Matter of
Australian Solomons Gold Limited
(the Filer)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the 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 (the Exemptive Relief Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

- (a) the Ontario Securities Commission is the principal regulator for this application, and

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- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 Definitions have the same meanings if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation existing under the *Corporations Act 2001* (Commonwealth of Australia) (the Australian Act).
2. The head office and registered and records office of the Filer is located in Albion, Brisbane, Queensland, Australia.
3. The Filer is a reporting issuer in each of the Jurisdictions.
4. On September 16, 2009, Allied Gold Limited (Allied Gold) and AGL (ASG) Pty Ltd, a wholly-owned subsidiary of Allied Gold (collectively, the Offerors), announced their intention to make an offer (the Offer) to acquire all of the outstanding ordinary shares of the Filer (ASG Shares) by way of a share exchange take-over bid.
5. The Offer expired at 8:00 p.m. (Toronto time) on December 14, 2009 (the Expiry Time). As at the Expiry Time, an aggregate of 125,788,776 ASG Shares, representing approximately 96.6% of the issued and outstanding ASG Shares, were deposited under the Offer and not withdrawn.
6. As of December 17, 2009, all of the ASG Shares deposited under the Offer had been taken up by the Offerors in consideration for the issuance of an aggregate of 106,920,459 ordinary shares of Allied Gold.
7. On January 13, 2010, Allied Gold commenced a compulsory acquisition of the outstanding ASG Shares not owned by it pursuant to the compulsory acquisition provisions of the Australian Act (the Compulsory Acquisition). Pursuant to the compulsory acquisition provisions of the Australian Act, the Compulsory Acquisition was required to be completed by February 27, 2010.
8. On February 26, 2010, Allied Gold completed the Compulsory Acquisition and became the owner of all of the issued and outstanding ASG Shares. The

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Filer has no securities outstanding other than the ASG Shares held by Allied Gold.

9. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer other than its obligation to file and deliver on or before February 15, 2010 (the Filing Deadline) interim financial statements and management's discussion and analysis for the period ended December 31, 2009 as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certificates as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.
10. As Allied Gold commenced the Compulsory Acquisition prior to the Filing Deadline and, pursuant to the Australian Act, the Compulsory Acquisition was required to be completed by February 27, 2010, the Filer did not prepare or file such interim financial statements, management's discussion and analysis or related certificates.
11. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada.
12. The ASG Shares were listed and posted for trading on the Toronto Stock Exchange under the symbol "SGA" on August 28, 2006. The ASG Shares were delisted from trading on the Toronto Stock Exchange effective as of the close of business on January 28, 2010.
13. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
14. The Filer has no current intention to seek public financing by way of an offering of securities.
15. The Filer is applying for a decision that it is not a reporting issuer in all jurisdictions of Canada in which it is currently a reporting issuer.
16. The Filer did not voluntarily surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-102 *Voluntary Surrender of Reporting Issuer Status* (the BC Instrument) in order to avoid the 10-day waiting period under the BC Instrument.
17. 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*

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Issuer in order to apply for the Exemptive Relief Sought because it is in default of certain filing obligations under the Legislation as described in paragraph 9 above.

18. The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer or the equivalent in any jurisdiction of Canada.

Decision

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.

Carol S. Perry
Ontario Securities Commission

Kevin J. Kelly
Ontario Securities Commission