

2002 BCSECCOM 219

ORDER UNDER SECTIONS 48 AND 76 OF THE SECURITIES ACT, R.S.B.C. 1996, c. 418

AMERICAN GOLD CAPITAL CORPORATION

Background

[para 1]

American Gold applied for an exemption from the requirements to be registered to trade and to file and obtain receipts for a preliminary prospectus and prospectus in sections 34(1)(a) and 61 of the Act (the Registration and Prospectus Requirements) for certain intended trades;

Representations

[para 2]

American Gold represents that:

1. it was incorporated in Alberta on October 30, 1995 under the name Cascade Metals Inc., changed its name to American Gold Capital Corporation on October 5, 2001 and continued under the laws of the Cayman Islands on October 17, 2001;
2. its authorized capital is 100,000,000 common shares with a par value of US\$0.01 per common share, of which 8,806,025 common shares are issued and outstanding;
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 common shares are listed on the Canadian Venture Exchange Inc.;
5. its wholly-owned subsidiary, Cascade Metals U.S. Inc. (the Subsidiary), is a Nevada corporation and is not a reporting issuer under the Act;
6. Miramar Mining Corporation and its indirect wholly-owned subsidiary, Talapoosa Mining Inc., have agreed to sell certain patented and unpatented mining claims and mining leases (the Mineral Properties) held by Talapoosa to the Subsidiary under a Purchase and Sale Agreement dated as of January 31, 2002 (the Agreement), in exchange for the issuance to Miramar of 575,000 common shares of American Gold and a non-transferable option (the Option) to acquire an additional 175,000 common shares of American Gold;
7. the CDNX has provided conditional approval to the transaction contemplated by the Agreement; and
8. the distribution of common shares in American Gold and of the Option would be exempt from the Registration and Prospectus Requirements under sections 45(2)(21) and 74(2)(18) of the Act if American Gold, rather than the Subsidiary, was acquiring the Mineral Properties;

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Order

[para 3]

Because it is not prejudicial to the public interest, the Executive Director orders:

1. under sections 48 and 76 of the Act, that American Gold is exempt from the Registration and Prospectus Requirements for trades in the common shares and the Option to Miramar under the Agreement, provided that American Gold files a Form 45-902F and pays the required fee within 10 days of distributing the common shares and Option; and
2. under section 76 of the Act, that any trade in the common shares acquired by Miramar under this order and any trade in the common shares acquired by Miramar on exercise of the Option is deemed to be a distribution, unless the conditions in subsections (2) or (3) of section 2.5 of Multilateral Instrument 45-102 *Resale of Securities* are satisfied.

[para 4]

DATED March 8, 2002.

Derek E. Patterson
Acting Director