

2006 BCSECCOM 668

October 26, 2006

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Securities Act s. 88 - Cease to be a reporting issuer in BC - The filer became a reporting issuer other than by exchanging its securities with a BC reporting issuer or its shareholders as set out in the item (d) of the definition of “reporting issuer” in section 1(1) of the Securities Act; the issuer's securities are traded only on a market or exchange outside of Canada - Canadian residents own less than 2% of the issuer's securities; the issuer does not intend to do a public offering of its securities to Canadian residents; the issuer will not be a reporting issuer in a Canadian jurisdiction; the issuer is subject to the reporting requirements of UK securities laws; and all shareholders receive the same disclosure

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

In the Matter of
the Securities Legislation of
Ontario, Alberta and British Columbia
(the Jurisdictions)

and

In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of
Landore Resources Limited
(the Filer)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of each of the Jurisdictions (the Legislation) that the Filer be deemed to have ceased to be a reporting issuer (the Requested Relief).

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Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

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

1. The Filer was incorporated as Landore Resources Limited on February 16, 2005, pursuant to The Companies (Guernsey) Law 1944, as amended. The head office, principal business address and the registered and records office of the Filer are located at P.O. Box 141, La Tonnelle Mouse, Les Banques, St. Sampson, Guernsey, GY1 3HS.
2. The Filer is engaged in mineral exploration and development in the Jurisdictions. The Filer also has a 100% owned subsidiary, Brancote U.S. Inc. which holds 8 mineral properties in Nevada, USA.
3. The executive management of the Filer operates out of the United Kingdom and has a track record in London, specifically through the Alternative Investment Market (AIM) listed companies.
4. The majority of the Filer's Shareholders are resident in the United Kingdom and Europe.
5. Prior to the Filer's incorporation, a related company, Landore Resources Inc. (Canadian Landore), was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) (ABCA) on March 6, 1996. Canadian Landore was listed on the TSX.V. Canadian Landore's principal office was located at 555 Central Avenue, Thunder Bay, Ontario.
6. On February 18, 2005, the Filer entered into an arrangement (the Transfer Arrangement) with Canadian Landore to purchase directly or indirectly all of the issued and outstanding securities of Canadian Landore, pursuant to the provisions of Section 193 of the ABCA. Outstanding Canadian Landore

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shares remaining after the acquisition were cancelled as of the effective date of the Transfer Arrangement. The details of the Transfer Arrangement are set out in Canadian Landore's Management Information Circular dated February 21, 2005 (Circular) and posted on SEDAR (www.sedar.com). As a result of the Transfer Arrangement, the Filer became a reporting issuer in the Jurisdictions.

7. The Filer is a reporting issuer (or the equivalent) in each of the Jurisdictions and is not a reporting issuer (or the equivalent) in any other jurisdiction in Canada.
8. The purpose of the Transfer Arrangement was to transfer all management operations of the Filer in Canada to the United Kingdom.
9. As published in the Circular, the management of the Filer believes that more benefit will accrue to its shareholders if the Filer operates out of the United Kingdom, as most of the shareholders reside in the United Kingdom or Europe. The Filer's executive management team has a track record in London and more institutional support and market liquidity there as a result of the aforementioned factors.
10. The Common Shares of Canadian Landore were voluntarily delisted from the TSX.V on April 5, 2005.
11. The Filer is authorized to issue 250,000,000 unclassified common shares at a par value of \$0.01 per share (the Common Shares), of which there are currently 93,003,310 Common Shares issued and outstanding.
12. None of the Filer's securities are traded on a marketplace in Canada as defined in National Instrument 21-101 – *Marketplace Operation*.
13. The Filer has no current intention of distributing its securities in any jurisdiction in Canada through a public or private offering.
14. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the Jurisdictions and less than 51 security holders in total in Canada.
15. Residents of Canada:
 - (a) do not beneficially own directly or indirectly more than 2% of the outstanding securities of the Filer; and

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- (b) do not represent in number more than 2% of the total number of owners directly or indirectly of securities of the Filer.
16. The Filer does not have any other securities, including debt securities, outstanding in Canada.
 17. The Filer is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer.
 18. The Filer is not in default of any of its obligations as a reporting issuer in the Jurisdictions.
 19. To the best of the Filer's knowledge, there is no market in Canada for its shares.
 20. The Common Shares of the Filer are currently listed on the on AIM and are subject to the reporting requirements of AIM and the London Stock Exchange.
 21. The Filer is not in default of any of the requirements of AIM.
 22. All shareholders of the Filer's shares will continue to be provided with all continuous disclosure materials distributed to holders resident in the United Kingdom, including audited annual financial statements. This information is also available to shareholders through London Stock Exchange website at <http://www.londonstockexchange.com/en-gb/pricesnews/marketnews/>.
 23. The Filer has undertaken to the Decision Makers to continue to deliver all disclosure materials required by United Kingdom securities law to be delivered to security holders resident in the United Kingdom to its security holders in the Jurisdictions and Canada in the manner and at the time required by United Kingdom Securities law and AIM market requirements.
 24. On April 6, 2006 the Filer issued and filed a notice announcing that the Filer had submitted an application to be deemed to have ceased to be a reporting issuer in the Jurisdictions and, if the Requested Relief is granted, the Filer will not be a reporting issuer (or the equivalent) in any jurisdiction in Canada.

Decision

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.

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The decision of the Decision Makers under the Legislation is that the Requested Relief is granted.

Wendell S. Wigle
Commissioner
Ontario Securities Commission

David L. Knight
Commissioner
Ontario Securities Commission