

Headnote

National Instrument 51-102 - *Continuous Disclosure Obligations*, Parts 4 (except section 4.9) to 10, Section 11.3, Section 11.4, Section 11.6 and Part 12 – exemption from requirements to file and deliver interim financial statements, annual financial statements, interims and annual MD&A, annual information form, material change reports, business acquisition reports, proxy solicitation and information circulars and restricted security disclosure - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom; the Filer files the disclosure that it files under the foreign disclosure requirements with the applicable Canadian securities regulatory authority or regulator and otherwise complies with the requirements of NI 71-102 as if it were a designated foreign issuer.

National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, sections 2.1 to 2.12 and 2.15 to 2.20 – exemption from reporting issuer requirements relating to communications with beneficial owners of securities - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom; the Filer files the disclosure that it files under the foreign disclosure requirements with the applicable Canadian securities regulatory authority or regulator and otherwise complies with the requirements of NI 71-102 as if it were a designated foreign issuer.

National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)*, sections 2.1 and 2.2 – exemption from requirement to file an insider profile - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom. Insiders of the Filer will comply with the requirements of UK securities laws regarding insider reporting.

National Instrument 55-104 *Insider Reporting Requirements and Exemptions*, Parts 4 and 5 – exemption from primary insider reporting and supplemental insider reporting requirements - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom; insiders of the Filer will comply with the requirements of UK securities laws regarding insider reporting.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* – exemption from requirement to provide prescribed corporate governance disclosure - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom; the Filer files the disclosure that it files under the foreign disclosure requirements with the applicable Canadian securities regulatory

authority or regulator and otherwise complies with the requirements of NI 71-102 as if it were a designated foreign issuer.

National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, Part 3 – exemption from early warning requirements - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom; Acquirors will comply with foreign disclosure requirements relating to reporting of beneficial ownership of equity securities of the Filer.

National Instrument 62-104 *Take-Over Bids and Issuer Bids*, Part 5 – exemption from acquisition reports and announcements - the Filer has provided additional facts to the regulator that support its status as a foreign reporting issuer, including that it is not listed or quoted on a marketplace in Canada; the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom; Acquirors will comply with foreign disclosure requirements relating to reporting of beneficial ownership of equity securities of the Filer.

Applicable Legislative Provisions

National Instrument 51-102 s. 13.1

National Instrument 54-101, s. 9.2

National Instrument 55-102, s. 6.1

National Instrument 55-104, s. 10.1

National Instrument 58-101, s. 3.1

National Instrument 62-103, s. 11.1

National Instrument 62-104, s. 6.1

May 28, 2020

In the Matter of
the Securities Legislation of British Columbia
(the Jurisdiction)

and

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

and

In the Matter of
Jadestone Energy Inc.
(the Filer)

Decision

Background

¶ 1 The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the Legislation) for relief from:

- (a) Parts 4 (except section 4.9) to 10, Section 11.3, Section 11.4, Section 11.6 and Part 12 of National Instrument 51-102 *Continuous Disclosure Obligations*;
 - (b) Sections 2.1 to 2.12 and 2.15 to 2.20 of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*;
 - (c) Sections 2.1 and 2.2 of National Instrument 55-102 *System for Electronic Disclosure by Insiders* (SEDI);
 - (d) Part 3 and Part 4 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (NI 55-104);
 - (e) National Instrument 58-101 *Disclosure of Corporate Governance Practices*;
 - (f) Part 3 of National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*; and
 - (g) Part 5 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104)
- (collectively, the Exemption Sought).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application, and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 Passport System (MI 11-102) is intended to be relied upon in Alberta.

Interpretation

¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined. For the purposes of this decision, the terms below have the following meanings:

1. acquiror has the meaning ascribed to that term in Part 5 of NI 62-104;
2. designated foreign issuer has the meaning ascribed to that term in National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* (NI 71-102);

3. foreign disclosure requirements has the meaning ascribed to that term in NI 71-102; and
4. foreign reporting issuer has the meaning ascribed to that term in NI 71-102.

Representations

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

1. the Filer was incorporated pursuant to the laws of the Province of British Columbia on August 25, 1988; the Filer's head office is located in Singapore;
2. the Filer is an independent oil and gas company focused on the Asia Pacific region; it has a portfolio of development, production and exploration assets in Australia, Vietnam and the Philippines;
3. as at April 2, 2020, the Filer had 461,042,811 issued and outstanding common shares (the Common Shares);
4. the Common Shares are listed on the Alternative Investment Market of the London Stock Exchange (the AIM) under the symbol JSE;
5. on March 24, 2020, the Filer's Common Shares were delisted from the TSX Venture Exchange (the TSXV), and as a result, the Common Shares are no longer listed on any marketplace in Canada;
6. the Filer is a reporting issuer in each of British Columbia and Alberta (the Provinces) and is not in default of securities legislation in the Provinces;
7. the Filer does not have a class of securities registered under the Securities Exchange Act of 1934 of the United States of America, as amended from time to time (the 1934 Act) and is not required to file reports under the 1934 Act;
8. as a company whose shares are admitted to trading on AIM, the Filer is subject to the disclosure requirements in the United Kingdom under the Market Abuse Regulation (for which the UK Financial Conduct Authority is the competent authority) (the FCA) and the rules of the AIM Market of the London Stock Exchange;
9. the Filer participates in capital markets outside of Canada and has not offered securities in Canada since 2018;
10. a search of registered holders conducted as of April 1, 2020, by Computershare Trust Company of Canada, the Filer's transfer agent, indicated that there were 8 registered holders resident in Canada holding 175,491 Common Shares representing approximately 0.04% of the issued and outstanding Common Shares of the Filer; a search of the beneficial holders

conducted as of April 1, 2020 by Broadridge Investor Communication Solutions indicated that there were 301 beneficial holders resident in Canada holding 6,261,394 Common Shares or approximately 1.4% of the issued and outstanding Common Shares;

11. outstanding voting securities carrying more than 50% of the votes for the election of directors of the Filer are not owned, directly or indirectly by residents of Canada;
12. none of the executive officers or directors of the Filer are residents of Canada; the Filer has no Canadian resident employees;
13. none of the assets of the Filer are located in Canada;
14. the business of the Filer is not administered principally in Canada and the Filer does not maintain an office in Canada;
15. the Filer does not qualify as a foreign reporting issuer because it was not incorporated or organized under the laws of a foreign jurisdiction and therefore also does not meet the definition of designated foreign issuer; and
16. the Filer has provided the principal regulator with additional facts that are consistent with a determination that the Filer is a foreign reporting issuer.

Decision

- ¶ 4 The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that:

- (a) less than 10% of the outstanding Common Shares are held by Canadian residents (calculated when required in accordance with section 1.3 of NI 71-102);
- (b) the Filer is subject to and complies with the foreign disclosure requirements of the United Kingdom;
- (c) if there is an exemption in the foreign disclosure requirements of the United Kingdom available as a result of the Filer being organized or incorporated outside of the United Kingdom, then the Filer must not use that exemption;
- (d) the Filer files the disclosure that it files with AIM and the FCA with the applicable Canadian securities regulatory authority or regulator;
- (e) the Filer complies with the requirements of NI 71-102 as if it were a designated foreign issuer, as such term is defined in NI 71-102;

- (f) insiders of the Filer comply with foreign disclosure requirements of the United Kingdom regarding insider reporting; and
- (g) an acquiror
 - (i) complies with the foreign disclosure requirements relating to reporting of beneficial ownership of equity securities of the Filer; and
 - (ii) files each report of beneficial ownership that is filed with or furnished to the foreign regulatory authority.

John Hinze
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British Columbia Securities Commission