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BCSC alleges B.C. men and their company failed to disclose information and made false or misleading statements

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Vancouver – The British Columbia Securities Commission (BCSC) [is alleging](#) that two B.C. men and their Vancouver-based mineral exploration company failed to disclose information, concealed financial losses and made false or misleading statements.

Zahir "Zip" Dhanani and Robert Naso managed Arian Resources Corp., a reporting issuer in B.C. that traded on the TSX Venture Exchange. In 2014, Arian entered into an agreement with a Canadian company to buy all the shares of an Albanian company that held the rights to an Albanian copper mine. The mining project was Arian's only material asset.

The BCSC alleges that between April 2014 and April 2017, Arian failed to comply with its continuous disclosure obligations under the Securities Act by failing to disclose and concealing the true nature of:

- an \$800,000 loss to a promoter who never provided any services
- actions by the Canadian company to take back shares of the Albanian company
- a stop work order and licence revocation relating to the mine
- a material \$285,000 payment to Dhanani's mother.

The BCSC also alleges that Arian understated the salary and stock compensation of executive officers by hundreds of thousands of dollars.

Dhanani and Naso were officers and directors of Arian, and the BCSC alleges that they authorized, permitted or acquiesced in Arian's contraventions and therefore they contravened the same provisions as Arian did.

In 2017, the BCSC issued a cease trade order because Arian failed to file records required under the Act. The cease trade order remains in effect. In 2018, the B.C. Registrar of Companies dissolved Arian for failing to file annual reports.

These allegations have not been proven. The commission will schedule a hearing date in June 2020.

The BCSC would like to thank the Albanian Financial Supervisory Authority for their assistance in this matter.

[About the British Columbia Securities Commission \(\[www.bsc.bc.ca\]\(http://www.bsc.bc.ca\) \)](#)

The British Columbia Securities Commission is the independent provincial government agency responsible for regulating capital markets in British Columbia through the administration of the *Securities Act*. Our mission is to protect and promote the public interest by fostering:

- A securities market that is fair and warrants public confidence
- A dynamic and competitive securities industry that provides investment opportunities and access to capital

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