

Headnote

National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications - Securities Act* s. 88 - Cease to be a reporting issuer in BC - The securities of the issuer are beneficially owned by more than 50 persons and are not traded through any exchange or market- following an arrangement, all of the issuer's common shares were acquired by another company that is a reporting issuer and in compliance with its continuous disclosure obligations; the issuer has convertible securities that are beneficially owned by more than 50 persons; the convertible securities are exercisable for securities of the acquirer or redeemable based on the value of the shares of the acquirer; the issuer is not required under the terms of the convertible securities to provide any continuous disclosure to the holders of the convertible securities or to remain a reporting issuer.

Applicable Legislative Provisions

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

March 8, 2023

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

and

In the Matter of
the Process for Cease to be a Reporting Issuer Applications

and

In the Matter of
UEX Corporation
(the Filer)

Order

Background

- ¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the Legislation) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the Order Sought).

Under the Process for Cease to be a Reporting Issuer Applications (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, and Newfoundland and Labrador; and
- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario;

Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this order, unless otherwise defined.

Representations

- ¶ 3 This order is based on the following facts represented by the Filer:
1. the Filer was incorporated under the *Canada Business Corporations Act* (the CBCA);
 2. prior to the Arrangement (as defined below), the Filer's head office was located at 2465 Berton Place, North Vancouver, BC, V7H 2W9;
 3. the common shares in the capital of the Filer (the UEX Shares) traded on the Toronto Stock Exchange (the TSX) under the symbol "UEX" and on the OTCQB under the symbol "UEXCF", and no other securities of the Filer were listed on any marketplace;
 4. Uranium Energy Corp. (UEC) is a corporation existing under the laws of the State of Nevada, and its authorized share capital consists of 750,000,000 common shares with a par value of \$0.001 per share (the UEC Shares), which are listed on the NYSE American Exchange under the symbol "UEC";
 5. immediately prior to the Effective Time (as defined below), the Filer had the following issued and outstanding securities: (i) 557,585,284 UEX Shares (not inclusive of 1,017,875 UEX Shares converted from outstanding restricted share units of UEX (UEX RSUs)), (ii) stock options exercisable to purchase 25,575,000 UEX Shares (the UEX Options), (iii) common share purchase warrants to purchase 46,637,768.5 UEX Shares (the UEX Warrants), and (iv) broker warrants to purchase 5,151,489 UEX Shares (the Broker Warrants);
 6. to the best of the Filer's knowledge and belief, there are (i) 52 beneficial holders of UEX Warrants, 4 of which are in Quebec, 4 of which are in Saskatchewan, 20 of which are in Ontario, 13 of which are in British Columbia, 1 of which is in Newfoundland & Labrador, 6 of which are in the United States, and 4 of which are in a foreign jurisdiction, and (ii) 6 beneficial holders of Broker Warrants, one of which is in Quebec, 3 of which are in Ontario and 2 of which are in British Columbia;

7. under the terms and conditions of an arrangement agreement dated June 13, 2022, as amended, among UEC, UEC 2022 Acquisition Corp. and the Filer, effective at 12:01 a.m. (Pacific Time) on August 19, 2022 (the Effective Time), UEC acquired all of the issued and outstanding UEX Shares by way of a statutory plan of arrangement under the CBCA (the Arrangement);
8. the notice of special meeting of holders of UEX Shares, UEX Options and UEX RSUs (the Voting UEX Securityholders) and management information circular of the Filer dated July 8, 2022 was delivered to the Voting UEX Securityholders entitled to vote at the special meeting of the Voting UEX Securityholders that took place on August 9, 2022 to consider the Arrangement;
9. under the Arrangement,
 - (a) UEC acquired all of the UEX Shares;
 - (b) all RSUs vested and were deemed to be settled and fully extinguished;
 - (c) all UEX Options were exchanged into replacement options to acquire UEC Shares (the Replacement Options); and
 - (d) all UEX Warrants and Broker Warrants holders became entitled to receive, and UEC became obligated to provide, upon exercise of such warrants, such number of UEC Shares which the holders would have been entitled to receive if the holders exercised their warrants immediately prior to the Effective Time;
10. the Filer is not required to remain a reporting issuer pursuant to the terms of the relevant warrant indentures or warrant certificates, and no consents or approvals were required from the holders of the UEX Warrants and the Broker Warrants;
11. in connection with the Arrangement, additional UEC Shares were authorized for issuance upon exercise of the Replacement Options, the UEX Warrants and the Broker Warrants;
12. the UEX Shares were delisted from the TSX effective at the close of business on August 24, 2022;
13. UEC is a reporting issuer in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, and as such, UEC is subject to continuous disclosure requirements which is relevant to holders of UEX Warrants, Broker Warrants and UEX Options as such holders are entitled to receive UEC Shares upon exercise of such securities;
14. UEC is not in default of securities legislation in any jurisdiction;
15. the Filer is no longer an OTC issuer as that term is defined under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;

16. the Filer has no intention to seek public financing by way of an offering of securities;
17. no securities of the Filer, including any debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
18. the Filer is applying for an order that it has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer;
19. the Filer has not filed its interim financial statements and related management's discussion and analysis for the three and nine months ended September 30, 2022, and with the exception of the foregoing, the Filer is not in default of securities legislation in any jurisdiction;
20. the Filer is not eligible to use the simplified procedure under National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* because the securities of the Filer, namely the UEX Warrants and Broker Warrants, are not beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide; and
21. upon the granting of the Order Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction in Canada.

Order

- ¶ 4 Each of the Decision Markers is satisfied that the order meets the test set out in the Legislation for the Decision Marker to make the order.

The decision of the Decision Makers under the Legislation is that the Order Sought is granted.

Noreen Bent
Chief, CF Legal Services
Corporate Finance
British Columbia Securities Commission