

## ALBERTA SECURITIES COMMISSION

### CEASE TRADE ORDER: VARIATION

Citation: Re Admiral Bay Resources Inc., 2016 ABASC 51

Date: 20160223

#### Admiral Bay Resources Inc.

#### Background

1. Admiral Bay Resources Inc. (the **Filer**) has made an application under section 214 of the *Securities Act* (Alberta) (the **Act**) to the Executive Director of the Alberta Securities Commission (**ASC**) for an order to vary a cease trade order dated 5 March 2012 (the **Cease Trade Order**) *Re Admiral Bay Resources Inc.*, 2012 ABASC 78.

#### Representations

2. This decision is based on the following facts represented by the Filer:
  - (a) The Filer's head office is in Vancouver, British Columbia.
  - (b) The Filer is a reporting issuer in the provinces of British Columbia and Alberta.
  - (c) On 6 December 2011, the Executive Director of the British Columbia Securities Commission (**BCSC**) issued an order (the **BCSC Order**) under section 164(1) of the *Securities Act* (British Columbia) that all trading in the securities of the Filer cease until it files the required records referred to in the order.
  - (d) As a result of the BCSC Order, trading in the securities of the Filer on the TSX Venture Exchange was suspended on 6 December 2011. The Filer was transferred to NEX on 28 January 2013. The Filer was delisted from NEX on 16 October 2014 for failure to pay maintenance fees.
  - (e) On 5 March 2012, the ASC issued the Cease Trade Order (together with the BCSC Order, the **Cease Trade Orders**) against the Filer for failure to file within the time periods prescribed by the Act its annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the year ended 31 July 2011, and interim unaudited financial statements, interim management's discussion and analysis, and certification of interim filings for the interim period ended 31 October 2011.
  - (f) The Filer currently proposes to negotiate and enter into a definitive agreement with Zeecol Limited (**Zeecol**), a New Zealand company that is not a reporting issuer, which among other things will provide for all of the following:
    - (i) Zeecol will fund the costs, expected to be approximately \$45,000, of preparing and filing all of the Filer's outstanding continuous disclosure;

- (ii) the founder of Zeecol, William Mook (**Mook**), will incorporate an Alberta corporation, which in turn will acquire all of the issued shares of Zeecol;
- (iii) the Alberta corporation will incorporate a British Columbia corporation;
- (iv) the Filer, the Alberta corporation and the British Columbia corporation will enter into an amalgamation agreement or an arrangement agreement (the **Reorganization Agreement**);

(collectively the **Initial Steps**).

- (g) The Filer cannot carry out the Initial Steps without a partial revocation of the Cease Trade Orders.
- (h) The Filer has applied to the ASC and the BCSC for a partial revocation of the Cease Trade Orders in order to carry out the Initial Steps.
- (i) The Filer will obtain and provide upon request to the ASC signed and dated acknowledgements from Zeecol and Mook, which clearly state that the securities of the Filer will remain subject to the Cease Trade Order until a full revocation order is granted, the issuance of which is not certain.
- (j) The Filer cannot carry out the reorganization to be contemplated in the Reorganization Agreement until such time as the Cease Trade Orders have been fully revoked.
- (k) The Filer intends to file all of its outstanding continuous disclosure and apply to the Executive Director for a full revocation of the Cease Trade Order.

**Decision**

3. The undersigned, considering that it would not be prejudicial to the public interest to do so, orders under subsection 214(1.1) of the Act that the Cease Trade Order is varied to permit the Initial Steps.

23 February 2016

"original signed by"  
Denise Weeres  
Manager, Legal  
Corporate Finance