



Citation: 2021 BCSECCOM 69

**Partial Revocation Order**

**Rio Verde Industries Inc.**

**Section 171 of the *Securities Act*, R.S.B.C. 1996, c. 418**

- ¶ 1 On September 25, 2002, the Executive Director issued an order (the BC Cease Trade Order) under section 164(1) of the *Securities Act*, R.S.B.C. 1996, c. 418 (the Act) that all trading in the securities of Rio Verde Industries Inc. cease until it files the required records referred to in the BC Cease Trade Order.
- ¶ 2 The Issuer has made an application to the Executive Director under section 171 of the Act for a partial revocation of the BC Cease Trade Order to permit certain trades in connection with the issuance of securities described below.
- ¶ 3 The issuer represented to the Commission that:
1. The Issuer was incorporated pursuant to the *Company Act* (British Columbia).
  2. The Issuer's head office is located in British Columbia.
  3. The Issuer is a reporting issuer in British Columbia and Alberta and is not a reporting issuer in any other jurisdiction.
  4. The Issuer has an authorized share capital of 50,000,000 common shares without par value (Common Shares). The Issuer currently has 3,293,286 Common Shares issued and outstanding.
  5. Issuer's securities are not listed on any stock exchange or quotation system.
  6. The BC Cease Trade Order was issued as a result of the Issuer's failure to file a comparative financial statement for the financial year ended April 30, 2002 (Unfiled Document).
  7. The Issuer is also subject to a cease trade order issued by the Alberta Securities Commission (the ASC) on October 25, 2002 (the AB Cease Trade Order, together with the BC Cease Trade Order, the Cease Trade Orders).
  8. Subsequent to the failure to file the Unfiled Document, the Issuer has not filed any further financial statements or any continuous disclosure documents required by applicable securities legislation, except for news release announcing the changes in management.



9. The Issuer is seeking a partial revocation of the BC Cease Trade Order to be able to complete a private placement in the province of British Columbia and other provinces (the Private Placement) of up to 29,420,000 Common Shares, at a price of \$0.0034 per Common Share, to raise proceeds of up to \$100,000.
10. The Issuer has concurrently filed an application with the ASC for a partial revocation of the AB Cease Trade Order.
11. For each distribution made in respect of the Private Placement, the Issuer will comply with one or more of the accredited investor exemption contained in section 2.3 of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) and the family, friends and business associates exemption contained in section 2.5 of NI 45-106.
12. The Issuer intends to prepare audited financial statements and pay all outstanding fees within a reasonable period of time following the completion of the Private Placement. The Issuer also intends to apply to the applicable securities regulators to have the Cease Trade Orders fully revoked.
13. The Issuer's SEDAR and SEDI profiles are up to date.
14. The Issuer intends to allocate the proceeds from the Private Placement as follows:

<b>Description</b>	<b>Cost</b>
Accounting, audit and legal fees	\$25,000
Regulatory and late filing fees	\$25,000
Legacy accounts payable, including accounting and legal fees, consulting fees and outstanding transfer agent fees	\$20,000
Working capital and general and administrative expenses	\$30,000
<b>Total</b>	<b>\$100,000</b>

15. The Issuer reasonably believes that the proceeds will be sufficient to bring its continuous disclosure obligations up to date and pay all related outstanding fees and provide it with sufficient working capital to continue its business.
16. As the Private Placement would involve a trade of securities and acts in furtherance of trades, the Private Placement cannot be completed without a partial revocation of the Cease Trade Orders.
17. The Private Placement will be completed in accordance with all applicable laws.



18. Before completing the Private Placement, the Issuer will:

- (a) provide each investor in the Private Placement with a copy of the BC Cease Trade Order;
- (b) provide each investor in the Private Placement with a copy of this Partial Revocation Order; and
- (c) obtain a signed and dated acknowledgement from each investor in the Private Placement, which clearly states that all of the Issuer's securities, including the securities issued in connection with the Private Placement, will remain subject to the Cease Trade Orders, and that the issuance of partial revocation orders does not guarantee the issuance of full revocation orders in the future.

19. Upon issuance of this order, the Issuer will issue a press release announcing the order and the intention to complete the Private Placement. Upon completion of the Private Placement, the Issuer will issue a press release and file a material change report. As other material events transpire, the Issuer will issue appropriate press releases and file material change reports as applicable.

- ¶ 4 The Executive Director is satisfied that this order is not prejudicial to the public interest.
- ¶ 5 The Executive Director orders under section 171 of the Act that the BC Cease Trade Order be partially revoked solely to permit the completion of the Private Placement.
- ¶ 6 February 11, 2021

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