

# ALBERTA SECURITIES COMMISSION

## VARIATION ORDER

Citation: Re Pinestar Gold Inc., 2020 ABASC 196

Date: 20201223

### Pinestar Gold Inc.

#### Background

1. Pinestar Gold 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 November 2014, *Re Pinestar Gold Inc.*, 2014 ABASC 438 (the **Alberta CTO**).

#### Interpretation

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

#### Representations

3. This decision is based on the following facts represented by the Filer:
  - (a) The Filer was incorporated under the laws of British Columbia on 8 March 2006.
  - (b) The Filer's head office is located in British Columbia.
  - (c) The Filer is a reporting issuer in Alberta and British Columbia. The Filer is not a reporting issuer in any other jurisdiction.
  - (d) The Filer has an authorized share capital of an unlimited number of common shares without par value (**Common Shares**), of which 3,324,502 Common Shares are issued and outstanding.
  - (e) The Filer's securities are not listed on any stock exchange or quotation system.
  - (f) On 5 November 2014, the ASC issued the Alberta CTO in response to the Filer's failure to file its annual audited financial statements for the year ended 31 March 2014, and interim unaudited financial statements for the interim period ended 30 June 2014.
  - (g) The Filer is also subject to a cease trade order of the British Columbia Securities Commission dated 6 August 2014 (the **BC CTO**, and together with the Alberta CTO, the **CTOs**).
  - (h) Other than the CTOs, the Filer is not subject to any other cease trade orders.
  - (i) The Filer seeks to vary the CTOs to permit the Filer to conduct a private placement of an amount of up to \$100,000 by way of the issuance of 20,000,000 Common Shares at a price of \$0.005 per Common Share (the **Offering**).

- (j) For each distribution made in respect of the Offering, the Filer will comply with one or both of the accredited investor exemption in section 2.3 of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) and the family, friends and business associates exemption in section 2.5 of NI 45-106.
- (k) As the Financing would involve trades of securities and acts in furtherance of trades, the Financing cannot be completed without a partial revocation of the Alberta CTO.
- (l) The Offering is intended to take place in British Columbia, Alberta, Ontario and possibly other jurisdictions in Canada.
- (m) The Filer reasonably expects the proceeds from the Offering will be used in a manner consistent with the below table:

Accounting, audit and legal fees	\$35,000
Regulatory and late filing fees	\$15,000
Legacy accounts payable, including accounting and legal fees, consulting fees and outstanding transfer agent fees	\$25,000
Working capital and general and administrative expenses	\$25,000
<b>Total</b>	<b>\$100,000</b>

- (n) The Filer has concurrently applied for a partial revocation of the BC CTO to permit the Offering to be completed in British Columbia.
- (o) The Filer reasonably expects that the proceeds raised from the Offering will be sufficient to bring its continuous disclosure up to date, apply for a full revocation of the CTOs and pay all related outstanding related fees.
- (p) Within a reasonable time following the completion of the Offering, the Filer intends to apply for a full revocation of the CTOs.
- (q) The Filer hereby undertakes to provide the signed and dated written acknowledgements referred to in paragraph 4(c) below to the Executive Director on request.

**Decision**

- 4. 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 Alberta CTO is varied to permit the Offering, provided that prior to completion of the Offering, each investor will receive:
  - (a) a copy of the Alberta CTO;
  - (b) a copy of this partial revocation order; and

- (c) written notice from the Filer, to be acknowledged by each investor in writing, that all of the Filer's securities, including the securities issued in connection with the Offering, will remain subject to the CTOs until such orders are revoked and that the issuance of this partial revocation order does not guarantee the issuance of a full revocation order in the future.

23 December 2020

*“original signed by”*

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Timothy Robson  
Manager, Legal  
Corporate Finance  
Alberta Securities Commission