



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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**IN THE MATTER OF
THE SECURITIES ACT,
R.S.O. 1990, c. S.5, AS AMENDED
(the Act)**

AND

**IN THE MATTER OF
ENERGY CONVERSION TECHNOLOGIES INC.**

ORDER

(Section 144)

WHEREAS the securities of Energy Conversion Technologies Inc. (the “**Applicant**”) are subject to a cease trade order issued by the Director dated November 17, 2009, pursuant to paragraph 2 and 2.1 of subsection 127(1) of the Act, that all trading in the securities of the Applicant cease until the order is revoked by the Director (the “**Cease Trade Order**”);

AND WHEREAS the Cease Trade Order was made on the basis that the Applicant was in default of certain filing requirements under Ontario securities law as described in the Cease Trade Order;

AND WHEREAS the Applicant has applied to the Ontario Securities Commission (the “**Commission**”) for a partial revocation of the Cease Trade Order pursuant to section 144 of the Act ;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated under the *Business Corporations Act* (Ontario) (the “**OBCA**”) on Jul 12, 1999.
2. The Applicant's registered office and principal place of business is located at 60 Ferrier St., Markham, Ontario, L3R 2Z5.
3. The Applicant is a reporting issuer under the securities legislation of the province of Ontario. The Applicant is not a reporting issuer in any other jurisdiction in Canada.

4. The Applicant's authorized capital consists of an unlimited number of common shares (the "**Common Shares**"), and an unlimited number of preferred shares (the "**Preferred Shares**"). As at the date hereof, the Applicant currently has 129,409,008 Common Shares and no Preferred Shares issued and outstanding. Other than the issued and outstanding Common Shares, the Applicant has no securities outstanding.
5. The Applicant's securities are not listed on any stock exchange or quotation system.
6. The Cease Trade Order was issued as a result of the Applicant's failure to file the following continuous disclosure materials as required by Ontario securities law:
 - (a) audited financial statements for the year ended June 30, 2009; and
 - (b) management's discussion and analysis ("**MD&A**") relating to the audited annual financial statements for the year ended June 30, 2009(collectively, the "**Unfiled Documents**").
7. The Unfiled Documents were not filed in a timely manner as a result of financial difficulties.
8. Subsequent to the failure to file the Unfiled Documents, the Applicant also failed to file the following documents:
 - (a) annual audited financial statements for the years ended June 30, 2012 to June 30, 2018;
 - (b) interim unaudited financial statements for the interim periods ended December 31, 2011, to March 31, 2019;
 - (c) MD&A relating to the financial statements referred to in subparagraphs (a) and (b) above; and
 - (d) certificates required to be filed in respect of the financial statements referred to in subparagraphs (a) and (b) above under National Instrument 52-109 *Certification of Disclosure in Filers' Annual and Interim Filings*(together with the Unfiled Documents, the "**Unfiled Continuous Disclosure**").
9. The Applicant is seeking a partial revocation of the Cease Trade Order to be able to complete a private placement in the province of Ontario and other provinces (the "**Private Placement**") of up to 1,250,000 Common Shares at a price of \$0.20 per Common Share, to raise an estimated aggregate gross proceeds of \$250,000. The Applicant intends to use the proceeds of the Private Placement to resolve outstanding fees, prepare audited financial statements and pay all other costs associated with applying for a full revocation of the Cease Trade Order. The Private Placement will be conducted

on a prospectus exempt basis with subscribers in Ontario and other provinces who satisfy the requirements of sections 2.3 (*Accredited Investor*) and 2.5 (*Family, Friends, and Business Associates*) of National Instrument 45-106 *Prospectus and Registration Exemptions*.

10. The Applicant intends to prepare and file the Unfiled Continuous Disclosure and pay all outstanding fees within a reasonable period of time following the completion of the Private Placement. The Applicant also intends to apply to the Commission to have the Cease Trade Order fully revoked.
11. Other than the failure to file the Unfiled Continuous Disclosure, the Applicant is not in default of any of the requirements of the Act or the rules and regulations made pursuant thereto. The Applicant is not in default of the Cease Trade Order. The Applicant's SEDAR and SEDI profiles are up to date.
12. The Applicant intends to allocate the proceeds from the Private Placement as follows:

Description	Cost
Accounting, audit and legal fees associated with the preparation and filing of the relevant continuous disclosure documents, as well as the preparation of the materials for the annual meeting, the Private Placement, and the applications for the partial revocation order and the full revocation order;	\$66,000
Filing fees associated with obtaining the partial revocation order and the full revocation order, including fees payable to the applicable regulators, including the Commission;	\$16,500
Outstanding fees owed to the applicable regulators for previous omissions;	\$41,125
Legacy accounts payable, including accounting and legal fees, consulting fees and outstanding transfer agent fees; and	\$80,000
Working capital and general and administrative expenses.	\$46,375
Total:	\$250,000

13. The Applicant reasonably believes that the Private Placement 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.

14. 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 Order.
15. The Private Placement will be completed in accordance with all applicable laws.
16. Prior to completion of the Private Placement, the Applicant will:
 - (a) provide any subscriber to the Private Placement with:
 - (i) a copy of the Cease Trade Order;
 - (ii) a copy of this order; and
 - (b) obtain from each subscriber a signed and dated acknowledgment which clearly states that all of the Applicant's securities, including the securities issued in connection with the Private Placement, will remain subject to the Cease Trade Order, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future.
17. The Applicant will provide a copy of the Cease Trade Order and the partial revocation order to each subscriber in the Private Placement.
18. Upon issuance of this order, the Applicant will issue a press release announcing the order and the intention to complete the Private Placement. Upon completion of the Private Placement, the Applicant will issue a press release and file a material change report. As other material events transpire, the Applicant will issue appropriate press releases and file material change reports as applicable.

AND UPON considering the application and the recommendation of the staff of the Commission;

AND UPON the Director being satisfied that it would not be prejudicial to the public interest to partially revoke the Cease Trade Order;

IT IS ORDERED, pursuant to Section 144 of the Act, that the Cease Trade Order is partially revoked solely to permit the trades in securities of the Applicant (including for greater certainty, acts in furtherance of trades in securities of the Applicant) that are necessary for and are in connection with the Private Placement, provided that

- (a) prior to completion of the Private Placement, the Applicant will:
 - (i) provide to each subscriber under the Private Placement a copy of the Cease Trade Order;

- (ii) provide to each subscriber under the Private Placement a copy of this order; and
 - (iii) obtain from each subscriber under the Private Placement a signed and dated acknowledgment, which clearly states that all of the Applicant's securities, including the securities issued in connection with the Private Placement, will remain subject to the Cease Trade Order, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future.
- (b) the Applicant will make available a copy of the written acknowledgements referred to in paragraph (a)(iii) to staff of the Commission on request; and
- (c) this order will terminate on the earlier of the closing of the Private Placement and 60 days from the date hereof.

DATED at Toronto, Ontario on this 20th day of November, 2019.

“Michael Balter”

Michael Balter, Manager
Corporate Finance
Ontario Securities Commission