



Citation: 2021 BCSECCOM 93

## **Partial Revocation Order**

### **Geyser Brands Inc.**

#### **Under the securities legislation of British Columbia (the Legislation)**

##### **Background**

- ¶ 1 Geyser Brands Inc. (the Issuer) is subject to a failure-to-file cease trade order (the FFCTO) issued by the regulator of the British Columbia Securities Commission (the Principal Regulator) on September 17, 2020.
- ¶ 2 The Issuer has applied to the Principal Regulator for a partial revocation order of the FFCTO.

##### **Interpretation**

- ¶ 3 Terms defined in National Instrument 14-101 *Definitions* or in National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions* have the same meaning if used in this order, unless otherwise defined.

##### **Representations**

- ¶ 4 This decision is based on the following facts represented by the Issuer:
- a. The Issuer is a company existing under the laws of British Columbia.
  - b. The Issuer's head office is located in British Columbia.
  - c. The Issuer is currently a reporting issuer in each of the provinces of British Columbia and Alberta.
  - d. The Issuer's common shares are listed for trading on the TSX Venture Exchange (TSXV). However, trading in the Issuer's common shares is currently halted on the TSXV as a result of the FFCTO.
  - e. The Issuer has an authorized share capital of unlimited common shares. The Issuer currently has 46,990,207 common shares issued and outstanding.



- f. The FFCTO was issued due to the failure of the Issuer to file its annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the year ended March 31, 2020.
- g. The Issuer is seeking a partial revocation of the FFCTO for the purpose of completing a private placement (the Private Placement) in British Columbia and other jurisdictions of up to 11,700,000 common shares at an issue price of Cdn\$0.05 per common share for aggregate gross proceeds of up to Cdn\$585,000. No finder's fee will be payable in connection with the Private Placement.
- h. The purpose of the Private Placement is to permit the Issuer to raise sufficient funds to: (i) prepare and file all outstanding financial statements and continuous disclosure records; and (ii) pay for certain critical business and operational expenses which need to be satisfied in order to protect the viability of the Issuer's business in the interim period until it can apply for and receive a full revocation of the FFCTO.
- i. The Issuer intends to allocate the proceeds from the Private Placement as follows:

<b>Description</b>	<b>Costs</b>
Audit and accounting fees	\$76,000
Legal and professional fees	\$50,000
Payroll and salaries	\$250,000
Settlement of accounts payable	\$58,000
Rent	\$111,000
Utilities	\$15,000
Insurance	\$22,000
Office, administrative and general expenses	\$3,000
<b>Total</b>	<b>\$585,000</b>

- j. The Issuer intends to rely on the accredited investor exemption contained in Section 2.3 of National Instrument 45-106 *Prospectus Exemptions* to complete the Private Placement.
- k. 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 FFCTO.
- l. The Issuer reasonably expects that the proceeds raised from the Private Placement will be sufficient to bring its continuous disclosure up to date and



pay all related outstanding related fees. The Issuer intends to apply for a full revocation of the FFCTO.

### **Order**

- ¶ 5 The Principal Regulator is satisfied that a partial revocation order of the FFCTO meets the test set out in the Legislation for the Principal Regulator to make the decision.
- ¶ 6 The decision of the Principal Regulator under the Legislation is that the FFCTO is partially revoked as it applies to the Issuer solely to permit completion of the Private Placement, provided that prior to completion of the Private Placement, the Issuer will:
- a. provide each investor participating in the Private Placement with a copy of the FFCTO;
  - b. provide each investor participating in the Private Placement with a copy of this Partial Revocation Order; and
  - c. obtain a signed and dated acknowledgement from each investor participating in the Private Placement, which clearly states that all of the Issuer's securities, including the securities acquired by the investor, will remain subject to the FFCTO, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future.
- ¶ 7 March 8, 2021

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