

ALBERTA SECURITIES COMMISSION

ORDER

Artumas Group Inc.

**Background**

Artumas Group Inc. (the **Filer**) has applied to the Alberta Securities Commission (the **Commission**) for an order under subsection 144(1) of the *Securities Act* (Alberta) (the **Act**) that a distribution of the Filer's common shares (the **Offered Securities**) to purchasers outside of Canada under a proposed public offering in Norway (the **Offering**) be exempt from the registration requirement in section 75 of the Act (the **Registration Requirement**) and the prospectus requirement in section 110 of the Act (the **Prospectus Requirement**).

**Representations**

The Filer represents to the Commission that:

1. The Filer is incorporated under the *Business Corporations Act* (Alberta) and its head office and principal place of business are in Calgary, Alberta.
2. The Filer is authorized to issue an unlimited number of common shares (the **Common Shares**) and preferred shares. As at the date hereof there are 35,816,987 Common Shares and no preferred shares issued and outstanding. The Filer also has convertible bonds outstanding in the principal amount of USD\$115,000,000 plus accrued interest thereon.
3. The Filer is not, and has no intention of becoming, a reporting issuer or equivalent in any jurisdiction of Canada.
4. The Filer is not in default of securities legislation in any jurisdiction of Canada.
5. The Filer is an issuer distributing securities from Alberta within the meaning of ASC Policy 45-601 *Distributions Outside Alberta* and must therefore comply with the Registration Requirement and the Prospectus Requirement or rely on exemptions from those requirements. The Filer is also an "Alberta issuer" within the meaning of ASC Rule 72-501 *Distributions to Purchasers Outside Alberta* (**Rule 72-501**).
6. Except for the Oslo Stock Exchange (the **OSE**), the Common Shares are not traded on a "marketplace" as that term is defined in National Instrument 21-101 *Marketplace Operation*.
7. There is no market for the Offered Securities in Canada and none is expected to develop.
8. The Filer is preparing a prospectus in accordance with Norwegian law (the **Prospectus**) for the Offering of the Offered Securities which will contain (or will incorporate by reference) prospectus-level disclosure in respect of the Filer and its subsidiaries and a detailed description of the Offering and the Offered Securities.

9. In connection with the Offering, the Filer will enter into an engagement agreement with DnB NOR Markets.
10. The Offering will be carried out in accordance with applicable Norwegian securities laws pursuant to an agreement (a **Subscription Agreement**) to be entered into between each purchaser under the Offering and the Filer.
11. The Offered Securities will be offered for sale and distribution only in those jurisdictions where, and to those persons to whom, they may be lawfully offered for sale or distribution and upon the terms and conditions set forth in the Subscription Agreement and the Prospectus. The Offered Securities will neither be offered to, nor will subscriptions be accepted from, any residents of Canada.
12. Each Subscription Agreement will contain: (a) a representation from the purchaser that it is not a resident of Canada; and (b) acknowledgements that are substantially similar to those set forth in subsection 3.1(c) of Rule 72-501.
13. Neither the Filer nor DnB NOR Markets will take any action for the purpose of, or that could reasonably be expected to have the effect of, preparing the market or creating demand for the Offering and the Offered Securities in Alberta.
14. Prior to and after the completion of the Offering, residents of both Alberta and Canada will own, directly or indirectly, not more than 10 percent of the outstanding Common Shares and will represent in number not more than 10 percent of the total number of owners of the outstanding Common Shares.
15. The Filer is unable to rely on the exemption from the Registration Requirement and the Prospectus Requirement in section 3.1 of Rule 72-501 because the OSE is not a "recognized market" as defined in section 1.1 of Rule 72-501 and because the Filer is unable pursuant to OSE Rules to legend the certificates representing the Offered Securities in the manner required by subsection 3.1(e) of Rule 72-501.

### **Decision**

The Commission, being satisfied that it would not be prejudicial to the public interest, orders under subsection 144(1) of the Act that:

- (a) the distribution of Offered Securities by the Filer shall not be subject to the Registration Requirement and the Prospectus Requirement; and
- (b) the first trade of the Offered Securities distributed under the Offering shall be deemed to be a distribution in Alberta unless the trade is made on an exchange or market outside Canada or to a person or company outside Canada.

*“original signed by”*

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Glenda A. Campbell, QC  
Alberta Securities Commission

*“original signed by”*

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Stephen R. Murison  
Alberta Securities Commission