

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* - issuer deemed to be no longer a reporting issuer under securities legislation.

Applicable Alberta Statutory Provisions

Securities Act, R.S.A., 2000, c.S-4, section 153

Citation: Hillsborough Resources Limited, Re, 2010 ABASC 32

Date: 20100129

In the Matter of
the Securities Legislation of Alberta, Saskatchewan, Ontario,
Québec, and Nova Scotia
(the **Jurisdictions**)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
Hillsborough Resources Limited
(the **Filer**)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer is not a reporting issuer (the **Exemptive Relief Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

- a) the Ontario Securities Commission is the principal regulator for this application, and
- b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation governed by the *Canada Business Corporations Act* (the **CBCA**), with its head office at Suite 1100 - 355 Burrard Street, Vancouver, British Columbia, V6C 2G8.
2. The Filer has selected the Ontario Securities Commission as the principal regulator for this application on the basis that the Filer has the next most significant connection to Ontario after British Columbia, as its securities were listed on the Toronto Stock Exchange, and the Filer is not seeking relief from the British Columbia Securities Commission.
3. The Filer's authorized share capital consists of an unlimited number of common shares (**Common Shares**).
4. Prior to the consummation of the Plan of Arrangement (as defined below), the Filer had outstanding \$7,661,000 principal amount of 10% convertible debentures due February 7, 2013 (the **Debentures**).
5. Pursuant to a plan of arrangement under section 192 of the CBCA (the **Plan of Arrangement**), Vitol Anker International B.V. (**Vitol**) acquired all of the Common Shares not already owned by Vitol in exchange for cash consideration of \$0.50 per Common Share and financed the repayment in full and cancellation by Hillsborough of all Debentures not already owned by Vitol in exchange for a cash payment from Hillsborough of \$1,000 for each \$1,000 in principal amount outstanding, together with any interest accrued interest thereon. The effective date of the Plan of Arrangement and the date upon which the Debentures were repaid and cancelled was December 21, 2009.
6. The Filer's Common Shares were delisted from the Toronto Stock Exchange on December 23, 2009 and the Filer does not have any securities listed on any stock exchange.
7. The Filer is not in default of any of its obligations as a reporting issuer under the Legislation, other than the requirement under National Instrument 52-110 *Audit Committees* (**NI 52-110**) to have an audit committee that complies with the requirements of NI 52-110. The Filer had been in compliance with the requirements of NI 52-110 until the effective time of the Plan of Arrangement. Pursuant to the Plan of Arrangement, the members of the board of directors of the Filer were replaced with nominees of Vitol, which nominees do not comply with the requirements under NI 52-110.
8. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada.
9. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
10. The Filer has no current intention to seek public financing by way of an offering of securities.

11. The Filer filed its Voluntary Surrender of Reporting Issuer Status pursuant to British Columbia Instrument 11-502 on December 24, 2009 and ceased to be a reporting issuer in British Columbia on January 4, 2010.
12. The Filer is ineligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer*.
13. The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

“James D. Carnwath”
Commissioner
Ontario Securities Commission

“Paulette Kennedy”
Commissioner
Ontario Securities Commission