

ALBERTA SECURITIES COMMISSION

IN THE MATTER OF The Securities Act
(SA 1981, c. S-6.1, as amended) (the "Act")

- and -

IN THE MATTER OF the Canadian Venture Exchange

RECOGNITION
(Subsection 52(2))

1. WHEREAS Canadian Venture Exchange ("CDNX") has applied to the Alberta Securities Commission (the "Commission") for recognition as an exchange in Alberta under subsection 52(2) of the Act;
2. AND WHEREAS CDNX, has represented to the Commission that:
 - 2.1 The Alberta Stock Exchange (the "ASE") and the Vancouver Stock Exchange (the "VSE") have obtained the approval of their members to the merger (the "Merger") of the ASE and the VSE to create, ultimately, CDNX pursuant to the plan of arrangement and related transactions described in the Joint Management Circular of the ASE and the VSE dated November 2, 1999;
 - 2.2 All steps required to effect the merger have been completed and, accordingly, at the effective time of the Merger today:
 - 2.2.1 CDNX will have all of the rights, liabilities and obligations of the ASE and the VSE;
 - 2.2.2 any cause of action, claim or liability to prosecution of either the ASE or the VSE immediately prior to the Merger will be assumed by CDNX;
 - 2.2.3 any civil, criminal or administrative action or proceeding pending by or against either the ASE or the VSE may continue to be prosecuted by or against CDNX;
 - 2.2.4 a conviction against or ruling, order or judgement in favor of or against either the ASE or the VSE may be enforced by or against CDNX; and
 - 2.2.5 the property of the ASE and the VSE will be the property of CDNX;
 - 2.3 CDNX will commence operations on November 26, 1999;
3. AND WHEREAS Commission staff have reviewed the application filed and the representations made by CDNX and have recommended that CDNX be recognized as an exchange in Alberta;

4. Based on the application filed and representations made by CDNX, the Commission recognizes CDNX as an exchange in Alberta under subsection 52(2) of the Act at the effective time of the Merger;

Dated at the City of CALGARY)
)
in the Province of ALBERTA) signed by "Glenda A. Campbell"
) Glenda A. Campbell, Vice-Chair

this 26th day of November, 1999)
) signed by "Eric T. Spink"
) Eric T. Spink, Vice-Chair