

from a number of investors with respect to the purchase of shares in the Corporation pursuant to the Offering.

7. During June of 2000, Glen Beer ("Beer"), employee and minority shareholder of the Corporation, and his spouse, Karin Overgaard ("Overgaard"), entered into negotiations with Hall regarding a potential purchase by Beer and Overgaard of all, or substantially all, of the capital stock of the Corporation (the "Share Purchase"). Negotiations between the parties with respect to the Share Purchase ultimately resulted in a Share Purchase Agreement dated July 14, 2000 (the "Agreement") being executed whereby Beer and Overgaard agreed to purchase all of the Preferred Shares and all but 10 of the issued Class "A" Common Shares.

8. Following completion of the Share Purchase on August 10, 2000, Beer and Overgaard owned 96.7% of the voting stock of the Corporation, and the Corporation underwent a management restructuring and a corporate reorganization, which included, among other things, a share split (pursuant to the Articles of Amendment referred to above).

9. As a result of the negotiations between the parties with respect to the Agreement, and as a direct result of the material change in control of the Corporation which was to result as a consequence of the Agreement, the Corporation advised the potential investors who has expressed interest with respect to the Offer that the Corporation would not proceed with the Offering during this time period. Accordingly, the Corporation ceased all negotiations with these investors during this time period, with the intention of resuming discussions once the purchase and subsequent reassessment were complete.

10. Approximately two months elapsed as a consequence of the negotiations pertaining to, and the execution of, the Agreement, the closing of this transaction, the reorganization of the Corporation and the creation of the Corporation's new business plan, during which time the Corporation did not approach potential investors with respect to the Offering.

11. The Corporation believes that most of the investors who originally expressed interest in obtaining shares pursuant to the Offering prior to the discussions and negotiations relating to the Agreement, may still be interested in subscribing. Additionally, a limited number of other related or sophisticated investors may also wish to participate in the Offering.

12. The time limit of 180 days during which the offering is to be completed pursuant to Section 91(a)(ii) expires on or about September 24, 2000, but the Corporation would not, in light of the changes, be able to complete the Offering by then. Management of the Corporation is still anxious to avail itself of the Section 91(a) exemption, but expects that it will need 2 months more in order to properly do so.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the Order requested.

IT IS ORDERED:

1. THAT, pursuant to Section 20(1) of the Act, trades in the shares issued with respect to the Offering shall be exempt from Section 91(a)(ii) of the Act provided that:

(a) All subscriptions with respect to the Offering will be completed, along with the filing of the requisite Forms with the Commission no later than November 23, 2000.

2. THAT, the fee for this Order is \$1,000.00.

BY ORDER OF the COMMISSION

Director – Legal