

THE SECURITIES ACT)	Order No. 4030
)	
Section 95(2)(c))	January 22, 2003

RICE CAPITAL MANAGEMENT PLUS INC.

WHEREAS:

(A) Rice Capital Management Plus Inc. ("RCMPI") has applied to The Manitoba Securities Commission (the "Commission") for an Order pursuant to section 95(2)(c) of *The Securities Act* (Manitoba) (the "Act") exempting RCMPI from the issuer bid requirements of Part IX of the Act;

(B) RCMPI has represented to the Commission that:

i) RCMPI was incorporated on March 25, 1998 pursuant to the *Business Corporations Act* (Alberta). On June 30, 1998 RCMPI completed an initial public offering as a Junior Capital Pool Issuer on the Alberta Stock Exchange, with the sale of 2,500,000 Common Shares;

ii) the Common Shares of RCMPI are listed on the TSX Venture Exchange. RCMPI is subject to Parts X, XI and XII of the Act, and is a reporting issuer in the Provinces of Saskatchewan, Alberta and British Columbia;

iii) the authorized capital of RCMPI consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares issuable in series, five series of which have been designated as Series 1 Preferred Shares, Series 2 Preferred Shares, Series 3 Preferred Shares, Series 4 Preferred Shares and Series 5 Preferred Shares. Currently, there are issued and outstanding: 16,475,731 Common Shares; 10,265,500 Series 1 Preferred Shares, 145,000 Series 4 Preferred Shares and 222,000 Series 5 Preferred Shares. There are also currently issued and outstanding: \$1,000,000 principal amount of 7% non-convertible debentures (which are convertible into Common Shares only in certain restricted circumstances) and \$1,000,000 principal amount of 7% convertible debentures (which are convertible into Common Shares); 1,537,697 options for Common Shares; \$2,000,000 principal amount of 9% subordinated debentures; 620,000 warrants each exercisable for 1 Common Share; and \$1,000,000 principal amount of 7% Convertible Bonds Series I (the "Bonds") (which are convertible into Common Shares);

iv) RCMPI is in the process of being continued under *The Corporations Act* (Manitoba), and has received the required approval of its shareholders;

v) in December, 2001 and shortly thereafter, RCMPI issued an aggregate \$1,000,000 principal amount of the Bonds. This issuances of the Bonds were made in reliance on the exemptions from the registration requirements of the Act in sections 19(1)(l) and 19(3) of the Act, and in reliance on the exemptions from the prospectus requirements of the Act in sections 58(1)(b) and 58(1)(a) of the Act. Certain subscribers elected to have their Bonds registered in the names of their respective registered retirement savings plans;

vi) the Board of Directors of RCMPI has determined that it is in the best interests of RCMPI to allow certain holders of the Bonds to elect to have their Bonds redeemed by RCMPI. The offers by RCMPI to acquire the Bonds for redemption constitute an issuer bid within the meaning of the Act. There is no published market in respect of the Bonds, and in the case of most holders of Bonds to whom the offer will be made, it is proposed that the issuer bid will be made in reliance on the exemption in section 84(3)(d) of the Act, which provides that an issuer bid is exempt from sections 86, 87, 88, 89 and 91 of the Act if the securities are acquired from a current or former employee of the issuer or of an affiliate of the issuer;

vii) several holders of the Bonds to whom the offer will be made are registered retirement savings plans the annuitants of which are employees or officers of RCMPI or its affiliates. The exemption in section 84(3)(d) of the Act will not, technically, apply to offers to such holders;

(C) In the opinion of the Commission it would not be prejudicial to the public interest to grant the Order requested;

IT IS ORDERED:

1. THAT the offer by RCMPI to acquire the Bonds from registered retirement savings plans the annuitants of which are current or former employees or officers of RCMPI or an affiliate be exempt from sections 86, 87, 88, 89 and 91 of the Act; and

2. THAT the fee for this order be \$550.

BY ORDER OF THE COMMISSION

Director-Legal