

THE SECURITIES ACT

)

Order No. 3747

)

Section 95(2)(c)

)

May 8, 2002

STALL LAKE MINES LIMITED.

WHEREAS:

(A) Stall Lake Mines Limited ("SLM") applied to The Manitoba Securities Commission ("Commission") for an order pursuant to s. 95(2)(c) of *The Securities Act*, R.S.M. 1988, c. S50 ("Act") exempting SLM from the formal valuation requirements for an issuer bid under section 94(2)(a) of the Securities Regulation.

(B) It has been represented to the Commission that:

1. SLM is a corporation authorized to issue an unlimited number of common shares and preference shares. There are outstanding 2,135,884 common shares. The common shares are listed on the CDNX.
2. SLM is in the process of making an issuer bid to purchase all of the outstanding shares of SLM at a price of \$1.868 per share.
3. SLM issued a press release April 30, 2002 outlining the details of the proposed issuer bid subject to regulatory and exchange approval.
4. The net asset value per share of SLM has been calculated by the auditors of SLM, KPMG for the period ending March 31, 2002. Copies of the audited financial statements for the period ending March 31, 2002 will be forwarded to the shareholders, together with the issuer bid circular. The net asset value as of March 31, 2002 is \$1.868 per share and the shareholders will be provided with this information in the issuer bid circular.
5. The purchase price of the shares in the issuer bid is a number based upon the KPMG calculation and is the quotient resulting from the division of the net assets of the Corporation by the total number of issued and outstanding shares (less accruals for expected expenses).
6. SLM has made adequate arrangements prior to the bid to ensure that the required funds are available to effect payment in full for all securities that the offeror has offered to acquire.
7. SLM, based upon discussions with the Sheridan Platinum Group Limited of Toronto, Ontario, expects that there will be a concurrent takeover bid for the same price by this corporation.

8. SLM has 493 shareholders. Only one shareholder controls directly or indirectly more than ten percent of the shares.

9. The assets of SLM are exclusively cash, treasury bills and/or term deposits, the value of which is readily determined and set forth in the financial statements.

(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**, pursuant to subsection 95(2)(c) of the Act, Stall Lake Mines Limited is hereby exempted from section 94(2)(a) of the Securities Regulation for its issuer bid announced on April 30, 2002.

2. **THAT** the fee for this order is \$550.00.

BY ORDER OF THE COMMISSION

Deputy Director - Legal