

January 23, 2008

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC,
NEW BRUNSWICK, NOVA SCOTIA, AND
NEWFOUNDLAND AND LABRADOR (THE "JURISDICTIONS")

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
0805346 B.C. LTD. (THE "FILER")
(FORMERLY NORTHERN ORION RESOURCES INC. ("NORTHERN ORION"))

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "Legislation") to not be a reporting issuer in the Jurisdictions in accordance with the Legislation (the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

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

1. Northern Orion, the predecessor to the Filer, was formed under the *Business Corporations Act* (British Columbia) ("BCA") on April 30, 1986, and was the subject of a court approved plan of arrangement (the "Arrangement") pursuant to which all of the issued and outstanding shares of the Northern Orion were acquired by Yamana Gold Inc. ("Yamana") on October 13, 2007 at 12:01 a.m. (the "Effective Time").
2. The authorized capital of the Northern Orion consisted of 900,000,000 shares divided into 700,000,000 common shares ("Common Shares"), 100,000,000 first preference shares and 100,000,000 second preference shares. Immediately prior to the Effective Time, there were 154,103,861 Common Shares issued and outstanding and no first preference shares or second preference shares issued and outstanding.
3. Northern Orion also had two series of common share purchase warrants outstanding, series A warrants expiring on May 29, 2008 (the "Series A Warrants") and series B warrants expiring on February 17, 2010 (the Series B Warrants and together with the Series A Warrants, the "Warrants"). Immediately prior to the Effective Time, there were 39,445,150 Series A Warrants issued and outstanding and 17,125,000 Series B Warrants issued and outstanding.
4. Pursuant to the Arrangement, at the Effective Time, each outstanding Warrant of Northern Orion became exercisable to acquire 0.543 of a Yamana common share and C\$0.001 in cash, at an exercise price of \$2.00 per Series A Warrant (\$3.68 per whole Yamana common share) at any time on or before May 29, 2008, and \$6.00 per Series B Warrant (\$11.05 per whole Yamana common share) at any time on or before February 17, 2010.
5. The Arrangement was approved by the requisite number of votes at a Special Meeting of Shareholders of Northern Orion held on August 22, 2007, and the final order of the Supreme Court of British Columbia approving the Arrangement was obtained on August 27, 2007.
6. Pursuant to the steps under the Arrangement, at the Effective Time the following occurred without any further act or formality: (i) Yamana became the beneficial holder of all the issued and outstanding Common Shares; (ii) Yamana then immediately transferred all of the Common Shares to its wholly-owned subsidiary, 0796937 B.C. Ltd.; and (iii) 0796937 B.C. Ltd. then amalgamated with Northern Orion to form the Filer under BCA.
7. The Common Shares and Warrants were de-listed from the Toronto Stock Exchange effective as of October 17, 2007, and, as a result, no securities of Northern Orion are traded on a marketplace as defined in National Instrument 21-101 - *Marketplace Operations*.
8. The Filer is a corporation existing under the BCA.
9. The head office of the Filer is located at 150 York Street, Suite 1102, Toronto, Ontario M5H 3S5.
10. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 - *Marketplace Operations*.

11. The Filer is a reporting issuer under the Legislation in each of the Jurisdictions and was a reporting issuer in British Columbia. The Filer filed a voluntary surrender of reporting issuer status with the British Columbia Securities Commission (the "BCSC") on October 18, 2007, and was granted non-reporting status by the BCSC effective October 28, 2007.

12. 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.

13. The Filer has no current intention to seek public financing by way of an offering of securities.

14. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, other than its obligation to file interim financial statements, related management's discussion and analysis and certificates in respect of the interim period ended September 30, 2007.

15. The Filer is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer or the equivalent. Upon the grant of the Requested Relief by each of the Decision Makers, the Filer will not be a reporting issuer in any jurisdiction in Canada.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

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

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

"Margot C. Howard"
Commissioner
Ontario Securities Commission