

ALBERTA SECURITIES COMMISSION

INTERIM ORDER

Citation: Re Prize Mining Corporation, 2019 ABASC 32

Date: 20190212

Prize Mining Corporation (also known as Prize Mining Corp.), Michael McPhie, Feisal Somji, David Schmidt, BridgeMark Financial Corp., Anthony Kevin Jackson, Justin Edgar Liu, Seungkap Kim, Kyung Kim Yoon, Lisa Jackson, Detona Capital Corp., Tryton Financial Corp. and Rockshore Advisors Ltd. (formerly Cam Paddock Enterprises)

Background

1. Staff (**Staff**) of the Alberta Securities Commission (the **Commission**) issued a Notice of Application dated December 21, 2018 (the **Notice of Application**).
2. The Notice of Application named Prize Mining Corporation (also known as Prize Mining Corp.) (**Prize**), Michael McPhie, Feisal Somji, David Schmidt, BridgeMark Financial Corp., Anthony Kevin Jackson, Justin Edgar Liu, Seungkap Kim, Kyung Kim Yoon, Lisa Jackson, Detona Capital Corp., Tryton Financial Corp. and Rockshore Advisors Ltd. (formerly Cam Paddock Enterprises) as respondents (the **Respondents**).
3. On January 14, 2019, the Commission issued an order (the **Cease Trade Order**, cited as *Re Prize Mining Corp.*, 2019 ABASC 8) directing that:
 - (a) the hearing in respect of the Notice of Application is adjourned until 10:00 am on Friday, February 1, 2019;
 - (b) pending the determination of the hearing in respect of the Notice of Application,
 - (i) all trading in securities of Prize must cease; and
 - (ii) Prize must cease trading in all securities, and all exemptions contained in Alberta securities laws do not apply to Prize.
4. The Notice of Application indicated that Staff are investigating whether Prize contravened Alberta securities laws.
5. Staff seek an interim order pursuant to sections 33 and 198 of the *Securities Act* (Alberta) (the **Act**), that:

- (a) all trading in or purchasing cease in respect of the securities of Prize and Prize be denied all exemptions contained in the Alberta securities laws; or, alternatively
 - (b) all trading in or purchasing by the Respondents (with the exception of Prize) cease in respect of the securities of Prize; or, alternatively
 - (c) Prize disseminate to the public information relating to a \$6,500,000 private placement that occurred in July 2018; and
 - (d) any other relief as this Commission deems appropriate in the public interest.
6. The Commission has received and considered documentary evidence and submissions.

Order

7. Considering that the length of time required to conduct a hearing and render a decision could be prejudicial to the public interest and that it is in the public interest to make this order, the Commission orders under sections 33 and 198(1) of the Act that:
- (a) all trading in or purchasing of securities of Prize must cease, and all of the exemptions contained in Alberta securities laws do not apply to Prize;
 - (b) Prize must disseminate to the public a news release (the **Required Release**) issued through a widely circulated news or wire service and promptly filed on SEDAR, the substantive content of which must be limited to the identification and disclosure of the following:
 - (i) commitments by several investors to provide Prize with the \$6.5 million financing that closed in July 2018 (the **July Financing**) were conditional on Prize entering into 18 consulting agreements (the **Consulting Agreements**) with various parties;
 - (ii) immediately upon receipt of the proceeds of the July Financing, aggregate consideration of \$5.5 million was to be paid by Prize to the parties to the Consulting Agreements;
 - (iii) some of the investors in the July Financing were directly or indirectly parties to some of the Consulting Agreements; and
 - (iv) a number of the Consulting Agreements purported to provide Prize with the same or similar services; and

- (c) this order takes effect immediately and expires at 6:00 pm (MST) on the business day following the dissemination of the Required Release.

February 12, 2019

For the Commission:

"original signed by"

Kari Horn

"original signed by"

Maryse Saint-Laurent