

THE SECURITIES ACT ) Order No. 4088  
)  
Section 20 ) March 26, 2003

FREEWEST RESOURCES CANADA INC.

WHEREAS:

(A) Freewest Resources Canada Inc. (the "Applicant") has applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of *The Securities Act* (Manitoba) (the "Act") for an order that certain trades of securities of the Applicant be exempt from the registration and prospectus requirements contained in sections 6 and 37 of the Act;

(B) The Applicant has represented to the Commission that:

1. The Applicant is a corporation incorporated pursuant to the *Canada Business Corporations Act*, with its head office in Montreal. The Common Shares of the Applicant are listed on the TSX Venture Exchange, and the Applicant is a reporting issuer in the provinces of Québec, Ontario, Alberta and British Columbia.
2. Pursuant to a letter of intent executed by the Applicant on February 28, 2002 and accepted by Mr. Perry English ("English") on March 26, 2002 (the "Letter of Intent"), the Applicant has an option to acquire from English certain property (the "Clarence Ridge Property") located in Charlotte County, southwestern New Brunswick. The Clarence Ridge Property consists of 26 mineral claims (1,040 acres).
3. Pursuant to the Letter of Intent, the Applicant is required to make cash payments to English totaling \$75,000 and to issue 50,000 Common Shares to English. The Letter of Intent provides for the issuance of 25,000 Common Shares upon the signing of a formal agreement (subject to regulatory approval), and the issuance of an additional 25,000 Common Shares to English on or before the first anniversary date of the signing of a formal agreement (subject to regulatory approval).
4. The acquisition of the Clarence Ridge Property by the Applicant constitutes an "expedited acquisition" under the relevant policies of the TSX Venture Exchange, and on March 6, 2003 the TSX Venture Exchange approved the transaction and the listing of an additional 50,000 Common Shares.
5. Application was made to the Commission des valeurs mobilières du Québec for an exemption from the prospectus requirement of the *Securities Act* (Québec) pursuant to section 12 of the *Securities Act* (Québec), on the basis that the shares

will be issued outside Québec. The Commission des valeurs mobilières du Québec issued its decision dated March 10, 2003, exempting the Applicant from the prospectus requirement in connection with the distribution outside Québec of 50,000 Common Shares of the Applicant to English as partial consideration for the acquisition of 26 mining claims comprising the Clarence Ridge Property.

(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 by the Applicant of Common Shares to English, as contemplated by the Letter of Intent, shall be exempt from sections 6 and 37 of the Act.

**2. THAT** the fee for this order shall be \$1,000.00.

BY ORDER OF THE COMMISSION

Deputy Director - Legal