

November 19, 2014

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NEW
BRUNSWICK AND NEWFOUNDLAND & LABRADOR
(the Jurisdictions)

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
AMERICAN BONANZA GOLD CORP.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer is not a reporting issuer (the **Exemptive Relief Sought**).

Under National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* (for a coordinated review application):

- (a) the Ontario Securities Commission is the Principal Regulator for this application; and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 – *Definitions* and MI 11-102 – *Passport System* have the same meaning as if used in this decision, unless otherwise defined.

Representations

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

1. The Filer was incorporated pursuant to the *Business Corporations Act* (British Columbia) on December 10, 2004.
2. The Filer's head office is located in Toronto, Ontario.
3. The Filer is currently a reporting issuer in each of the Jurisdictions and is not a reporting issuer or the equivalent in any other jurisdiction of Canada.
4. The authorized share capital of the Filer consists of an unlimited number of common shares.
5. On June 27, 2014, pursuant to a plan of arrangement among Kerr Mines Inc. (**Kerr Mines**), 0999415 B.C. Ltd. (**Kerr Subco**), a wholly-owned subsidiary of Kerr Mines and the Filer, Kerr Mines acquired ownership and control of 1,121,186,339 common shares of the Filer, being all of the issued and outstanding common shares of the Filer, in consideration for 594,228,760 common shares of Kerr Mines.
6. On June 27, 2014, by articles of amalgamation certified by the Province of British Columbia Registrar of Companies, Kerr Subco and the Filer amalgamated to form American Bonanza Gold Corp. As a result of the amalgamation the Filer is a wholly-owned subsidiary of Kerr Mines.
7. The common shares of the Filer were delisted from the Toronto Stock Exchange at the close of business on July 7, 2014.
8. No securities of the Filer, including any debt securities are traded in Canada or another country on a marketplace, as defined in National Instrument 21-101 – *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
9. Effective August 4, 2014, the Filer successfully surrendered its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-102 *Voluntary Surrender of Reporting Issuer Status*.
10. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide.

11. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, other than an obligation to file on or before August 15, 2014, its interim financial statements and management discussion and analysis in respect of such statements for the period ended June 30, 2014, as required under National Instrument 51-102 – *Continuous Disclosure Obligations* and the related certificates as required under National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* (collectively, the **Filings**).
12. The Filer is applying for a decision that it is not a reporting issuer in all of the Jurisdictions.
13. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 – *Applications for a Decision that an Issuer is not a Reporting Issuer* as it is in default for failure to file the Filings.
14. The Filer has no current intention to seek public financing by way of an offering of securities.
15. The Filer, upon the receipt of the decision and the granting of the Exemptive Relief Sought, will no longer be a reporting issuer or the equivalent thereof in any jurisdiction in Canada.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the Decision.

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


Ontario Securities Commission


Ontario Securities Commission

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – application for a decision that the issuer is not a reporting issuer under applicable securities laws – issuer in default of its obligation to file and deliver its financial statements and related management’s discussion and analysis – requested relief granted.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., s.1(10)(a)(ii)

CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issue*