

IN THE MATTER OF SECTION 151
OF THE SECURITIES ACT
AND
IN THE MATTER OF
GRAYLING VENTURE CAPITAL CORPORATION

TEMPORARY CEASE TRADE ORDER

WHEREAS an Order was granted under Section 21 of The Securities Act to Grayling Venture Capital Corporation ("Grayling") dated February 16, 1986 for the proposed distribution of up to \$350,000 of shares pursuant to the provisions of offering documents filed with the Saskatchewan Securities Commission (the "Commission");

AND WHEREAS an Amending Order was granted dated May 6, 1986;

AND WHEREAS it appears to the Commission that certain litigation is pending with respect to Camp Grayling (1984) Ltd., of which company Grayling intends to acquire 30% of the common equity and that such litigation is material to the securities proposed to be issued by Grayling;

AND WHEREAS it appears to the Commission that the filed offering memorandum does not contain information on such litigation;

AND THEREFORE the Commission being of the opinion that it is in the public interest that trading should cease in respect of such securities and that the length of time required for a hearing could be prejudicial to the public interest;

THE COMMISSION HEREBY ORDERS pursuant to Section 151 of The Securities Act that trading in the securities of Grayling shall cease forthwith until an amendment to the offering memorandum is filed with the Commission and delivered to purchasers of the securities of Grayling, stating a brief description of the litigation, the parties thereto, the name

Temporary Cease Trade Order
Grayling Venture Capital Corporation

2.

of the Court in which the proceedings are pending, the date instituted and the current status of proceedings, and all other material facts, if any, related to the securities.

AND IT IS HEREBY FURTHER ORDERED that a hearing with respect to this matter shall be held within 15 days from this date.

REGINA, SASKATCHEWAN

JUNE 16th, 1986.



ADELAIDE Mac DONALD, CHAIRMAN
SASKATCHEWAN SECURITIES COMMISSION

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