

March 5, 2013

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**RE:OSC Exempt Market Review
OSC Staff Consultation Paper 45-710
Considerations For New Capital Raising Prospectus Exemptions**

I am responding to the proposals outlined by the OSC regarding New Capital raising Prospectus Exemptions. I am a Chartered Accountant and have been involved as an officer and a director of numerous public and private companies over the past 20 years. The current state of the junior public companies and the lack of access to capital are as bad as any period that I have seen. Any actions that can be taken by the commissions to assist the junior companies to increase their shareholders bases and decrease their costs of capital are much needed. In addition the speed with which any changes can be made is of great importance as well.

Prospectus Exemption Based on:

1) Crowd funding

The crowd funding model may have some merit as an alternative to the smaller private placements, but the limits on amounts that an individual may invest will make this a difficult funding method for most junior public companies. A limit of \$2,500 per investor will make it difficult to raise any significant amount. If the limits were increased, it may have more merit.

As well, the information on the use of registered portals was not very clear, and if the intent is to have the portals registered similar to existing investment dealers, then the costs will make these small placements prohibitive. If the average investment is less than the \$2,500 and yet is have to be done through a dealer, the administrative costs of that number of investors may be a problem. And if the portals are not regulated, then the potential for problems and abuse of the program is significant.

As a similar concept to the crowd funding, could changes to the exemptions for smaller placements be considered, this may be possible through modification to the crowd funding proposal. Such as: a higher investment limit per person (\$15,000-\$25,000), an income requirement (\$50,000) and protection to the general investing public through the, already in place, continuous disclosure rules.

2) OM

The OM exemption already exists in certain jurisdictions and is only used sparingly, so I am not sure how its usage would increase by the OSC allowing it, therefore efforts should be focused on exemptions that will assist in expanding the shareholder base and not on ones that will have limited if any effect.

3) Investment Knowledge

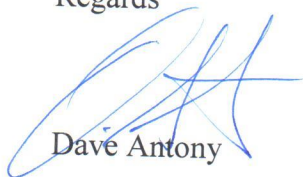
The suggested conditions for this exemption would make is such a narrow group of new potential investors, given that most individuals that have these qualifications, more than likely already meet the accredited investor rules, that it would seem to be an exercise that will take time and money to implement but will not have any effect, therefore efforts should be focused on exemptions that will assist in expanding the shareholder base and not on ones that will have limited if any effect.

4) Registrant Advice

As an issuer, and an investor, I do not see how this exemption could be implemented. It would seem to me that the brokerage community would have significant issues with using this type of exemption, as they would almost always be “connected” with the issuer.

I want to reiterate that action is needed by all involved in the junior public market in Canada to increase the awareness of the TSX and TSXV in order to attract new investors, which in turn will help the current issuers access the additional capital they need to complete their business plans. And any proposals that are put forward by the OSC or others are a step in the right direction, but these steps have to be taken in very short order, we are in the midst of some of the worst market conditions for junior companies and most cannot wait years for proposals to be implemented, but need help immediately in order to survive and return to the strong junior capital market that has existed in Canada.

Regards



Dave Antony