

**For Immediate Release
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Canadian Securities Regulators propose significant changes to the rights offering regime

Vancouver – The Canadian Securities Administrators (CSA) today published for comment proposed amendments that would create a streamlined prospectus exemption for rights offerings by reporting issuers.

“Although rights offerings can be one of the fairest ways for issuers to raise capital, in that they allow all existing investors to participate on a pro rata basis, they are seldom used because of the time and costs associated with them,” said Bill Rice, Chair of the CSA and Chair and Chief Executive Officer of the Alberta Securities Commission. “The proposed exemption is designed to make rights offerings more attractive to reporting issuers by decreasing both the time and costs involved.”

One of the key proposals is to remove the current regulatory review process prior to use of the rights offering circular. The CSA anticipates this will significantly decrease the amount of time it takes to conduct an offering. The CSA also proposes increased investor protection through the addition of civil liability for secondary market disclosure, and the introduction of a more user-friendly form of rights offering circular document.

The proposed amendments would also update other rights offering requirements and repeal the prospectus exemption for rights offerings by non-reporting issuers.

The CSA notice and proposed amendments are available on CSA members’ websites. The comment period is open until February 25, 2015.

The CSA, the council of the securities regulators of Canada’s provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

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