

**For Immediate Release  
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**Canadian securities regulators adopt streamlined capital-raising option for  
Canadian-listed issuers**

**Vancouver** – The Canadian Securities Administrators (CSA) is adopting a [new prospectus exemption](#) for issuers listed on a Canadian stock exchange, aimed at providing a more efficient way for them to raise capital.

The Listed Issuer Financing Exemption will reduce costs for issuers raising smaller amounts of capital through the public markets. It will also allow smaller issuers greater access to retail investors and provide retail investors with a broader choice of investments.

“We heard that the time and cost of preparing a short form prospectus was a barrier to capital-raising for smaller issuers,” said Stan Magidson, CSA Chair and Chair and CEO of the Alberta Securities Commission. “This exemption will reduce regulatory burden for small offerings while maintaining investor protection.”

The prospectus exemption will be available to issuers that have been a reporting issuer in a Canadian jurisdiction for at least 12 months and have filed all continuous disclosure documents required under Canadian securities legislation. Eligible issuers will need to file a short offering document.

Issuers using this exemption may annually raise up to the greater of \$5 million or 10 per cent of the issuer’s market capitalization, to a maximum of \$10 million. Securities issued under the exemption will be freely tradeable.

The exemption was developed in response to comments received from [CSA Consultation Paper 51-404 Considerations for Reducing Regulatory Burden for Non-Investment Fund Reporting Issuers](#). It also reflects research on capital-raising requirements in other countries and other stakeholder feedback about the prospectus system.

In response to comments received by the CSA on the proposed exemption, changes were made to increase investor protection, including imposing primary offering statutory liability in the event of a misrepresentation in the issuer’s offering document or certain continuous disclosure.

Provided all necessary Ministerial approvals are obtained, the amendments will come into force on November 21, 2022. [A copy of the amendments can](#) be found on CSA members’ websites.

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

**For media inquiries, please contact:**

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**For investor inquiries, please contact [your local securities regulator](#).**