

N.S. SECURITIES COMMISSION--Commission Settles With Medmira

The Nova Scotia Securities Commission has settled a case with Medmira Inc. and Hermes Chan, who admitted to violating Nova Scotia securities laws and acting contrary to the public interest.

Medmira Inc. and Mr. Chan failed to conduct required due diligence and maintain adequate precautions to comply with a decision by the commission.

On Nov. 18, 2005, the commission issued a decision permitting Medmira to distribute its common shares without an underwriter registered in Nova Scotia, subject to several conditions. One of the conditions is that the number of common shares distributed by Medmira under an equity line in any 12-month period is not more than 10 per cent of the number of common shares issued and outstanding at the start of the period.

Medmira exceeded the limit for 2007, 2008 and 2009.

Under the order and settlement agreement, the directors and senior officers of Medmira are responsible for ensuring Medmira complies with the decision. Medmira will pay an administrative penalty of \$125,000 to the commission. Mr. Chan will be reprimanded for his role in Medmira's failure to comply with the decision, pay an administrative penalty of \$7,500 to the commission and, by Dec. 31, complete a course/program for directors of reporting issuers, acceptable to commission staff.

Medmira and Mr.Chan are also ordered to pay \$1,000 in costs connected with the investigation and proceedings.

The Nova Scotia Securities Commission is the provincial government agency responsible for regulating trading in securities in the province. To view the order and settlement agreement, visit www.gov.ns.ca/nssc/compliancencforc/enforproceedings.asp .

FOR BROADCAST USE:

The Nova Scotia Securities Commission has settled a case with Medmira Inc. and Hermes Chan, who admitted to violating Nova Scotia securities laws and acting contrary to the public interest.

Medmira Inc. and Mr. Chan failed to conduct required due diligence and maintain precautions to comply with a decision by the commission allowing it to distribute common shares without an underwriter registered in Nova Scotia, subject to several conditions.

Medmira Inc. distributed more than permitted amount of common shares in 2007, 2008 and 2009.

Under the settlement, Medmira will comply with the decision and pay an administrative penalty of 125-thousand dollars to the commission.

Mr. Chan will be reprimanded, pay an administrative penalty of 7-thousand 500 dollars and, by Dec. 31, complete a course for directors of reporting issuers.

Medmira and Mr.Chan are also ordered to pay 1,000 dollars in costs.

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