



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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**IN THE MATTER OF  
PLATEAU ENERGY METALS INC., ALEXANDER FRANCIS CUTHBERT HOLMES  
and PHILIP NEVILLE GIBBS**

**SETTLEMENT AGREEMENT**

**PART I - INTRODUCTION**

1. This proceeding involves a Canadian mining company that misled investors about a decision by a Peruvian mining regulator that threatened their mining rights over certain properties in Peru. In March 2019, the company's Canadian executives became aware of regulatory threats to the company's mining rights in Peru. The company did not inform the public until July 31, 2019.
2. Maintaining title and/or rights to property is of critical importance to a mining exploration and development company. Reporting issuers with operations outside of Canada must ensure that important information concerning the company's mining rights flows to its Canadian executive and is disclosed to investors on a timely basis.
3. To make informed investment decisions, investors rely on timely and accurate disclosure from a reporting issuer. Misleading statements in a news release and the failure to disclose material facts in a company's MD&A deprive investors of the opportunity to make fully informed investment decisions and undermine confidence in Ontario's capital markets.
4. On March 14, 2019, a blogger wrote a detailed post about a recent Peruvian mining authority decision that placed the company at risk of losing certain of its mining concessions in Peru. Instead of notifying the public of the decision, the company announced in a misleading news release on March 15, 2019 that the blog post was spreading "misinformation" and that all of its mining concessions were in good standing.

5. As a result of contradictory information flowing from the blog post and the company, investors contacted the company's chief executive officer (**CEO**) for more information. The CEO discussed the events giving rise to the regulatory threat and the company's position with these investors. However, the company did not make any public disclosure of these facts until July 31, 2019. Selective disclosure is contrary to the public interest as it does not promote truthful and accurate disclosure to the capital markets as a whole.

6. After the March 15, 2019 news release, the company made additional misleading statements in subsequent news releases and in the management's discussion and analysis (**MD&A**) relating to its second quarter interim financial statements.

7. In July 2019, Peru's highest mining authority confirmed the initial mining authority decision through its own resolutions. When the company publicly disclosed these resolutions and the regulatory threat to its mining concessions at the end of July 2019, its share price dropped by more than half.

8. The parties will jointly file a request that the Capital Markets Tribunal (the **Tribunal**) issue a Notice of Hearing to announce it will hold a hearing to consider whether, pursuant to section 127 of the Securities Act, RSO 1990, c S.5 (the **Act**), it is in the public interest for the Tribunal to make certain orders against the Respondents.

## **PART II - JOINT SETTLEMENT RECOMMENDATION**

9. Plateau Energy Metals Inc. (**Plateau** or the **Company**), Alexander Francis Cuthbert Holmes (**Holmes**), and Philip Neville Gibbs (**Gibbs**) (collectively the **Respondents**), consent to the making of an order (the **Order**) substantially in the form attached as Schedule "A" to this Settlement Agreement based on the facts set out in this Settlement Agreement.

10. For the purposes of this proceeding, and any other regulatory proceeding commenced by a Canadian securities regulatory authority only, the Respondents agree with the facts set out in Part III of this Settlement Agreement and the conclusion in Part IV of this Settlement Agreement.

### **PART III - AGREED FACTS**

11. Plateau Energy Metals Inc. (**Plateau** or the **Company**) is an Ontario corporation and reporting issuer with its head office in Toronto. It was listed on the TSX Venture Exchange under the trading symbol “PLU”. Plateau is a mining exploration and development company. It conducts its business in Peru through its wholly owned subsidiary, Macusani Yellowcake S.A.C. (also referred to as the **Company**).

12. Alexander Francis Cuthbert Holmes (**Holmes**) joined as Plateau’s CEO on August 17, 2018. He was Plateau’s CEO at the relevant times discussed below. On January 20, 2021, Holmes resigned as CEO with an effective date of February 12, 2021. Holmes was also a director of Plateau and continued in that role following his resignation as CEO. Holmes is a resident of British Columbia. Philip Neville Gibbs (**Gibbs**) was the part-time Chief Financial Officer (**CFO**) of Plateau. Gibbs is a resident of Ontario.

13. The Company’s significant assets are known as the Falchani Lithium Project and Macusani Uranium Project in southeastern Peru. These projects are contained within the 151 different mining concessions granted to Plateau’s subsidiary since 2006 by the Peruvian mining regulatory authority known as the Geology, Mining and Metallurgy Institute of the Ministry of Energy and Mines (**INGEMMET**). The Company does not have any other significant assets.

14. 32 of the 151 concessions are relevant to this matter (the **Disputed Concessions**). The Company’s main focus of exploration during the relevant time was the Falchani Lithium Project which consists mainly of two concessions, Falchani and Ocacasa 4. The Ocacasa 4 concession is included in the Disputed Concessions.

15. Under Peruvian mining law, mining concessions are granted for an indefinite term. However, in order to maintain the concessions, the holders must satisfy several obligations, including making annual payments of USD 3.00 per hectare before June 30th of a given year (Good Standing Fees).

16. In 2018, the deadline for the Company’s Good Standing Fee payments was July 2, 2018.

17. The Company made the Good Standing Fee Payments for the Disputed Concessions on the deadline date of July 2, 2018. However, the Company was not able to link the payments for the Disputed Concessions to their respective unique codes because the INGEMMET system incorrectly showed that certain penalty payments were owing on the Disputed Concessions. As a result, the Company was required to and did submit an accreditation application to INGEMMET for its payment of the Good Standing Fees relating to the Disputed Concessions (the **Accreditation Application**).

18. On October 3, 2018, INGEMMET issued a resolution deeming that the Accreditation Application was inadmissible because receipts of payments made were not attached to the application on a timely basis (the **Inadmissibility Resolution**). In particular, INGEMMET refused to recognize certain payment receipts because they were attached to the Accreditation Application after the close of business hours at INGEMMET (i.e. after 4:30 p.m.).

19. On October 9, 2018, the Company's Peru-based employees requested that the President of INGEMMET annul the Inadmissibility Resolution (the **Annulment Request**). At that time, the Company's Peru-based employees had received legal advice that the Company had complied with the requirements of Peruvian mining law in relation to the events that occurred on July 2, 2018.

20. The Annulment Request was treated by INGEMMET as an appeal and was sent to the Mining Council within the Ministry of Energy and Mines (**MINEM**) for a determination. On January 9, 2019, the Mining Council within MINEM (the **Mining Council**) rejected the Annulment Request.

21. On February 20, 2019, INGEMMET cancelled the Company's rights to the Disputed Concessions by Presidential Resolution 0464, stating they had lapsed for failing to make timely payment of the required Good Standing fees (the **Cancellation Resolution**). The Cancellation Resolution was delivered to the Company's Peruvian office on March 5, 2019 but not opened and reviewed by the Peru-based employees until on or about March 11, 2019.

22. On March 14, 2019, the Company's Peru-based employees filed an appeal of the Cancellation Resolution to the highest mining regulatory authority in Peru (the Mining Council). As a result of the appeal, the Cancellation Resolution could not be registered with the Public

Mining Registry and was not effective vis-à-vis the government and third parties. However, the Cancellation Resolution remained effective vis-à-vis the Company.

23. The Company's Peru-based employees did not convey the existence of the Inadmissibility Resolution, the Annulment Request and its rejection, or the Cancellation Resolution to the Company's Canadian executive in a timely way so as to ensure the Company's compliance with its disclosure obligations under Ontario securities law.

### **Misleading and Selective Disclosure**

24. On March 14, 2019, a blogger, who hosts a blog called IKN, posted an article stating:

On February 20<sup>th</sup> 2019, Peru's geological regulatory body INGEMMET, via its Presidential Resolution 0464, decreed that due to non-payment of concession fees in both 2017 and 2018 the wholly owned subsidiary of Plateau Energy Metals (PLU.v) would be stripped of 32 concessions from its flagship project in the Macusani region of Puno, Peru. What's more, one of the 32 concessions now stripped from the company is Ocacasa 4, which is 1,000 hectares of the total 1,700-hectare zone of the property that contains its lithium resource.

This snafu rates highly in IKN's "Annals of Material Event Disclosure Failures." Frankly amazing that the company has tried to keep this under wraps.

(the **IKN Blog Post**).

### ***Misleading Disclosure in the March 15, 2019 News Release***

25. In response to the IKN Blog Post, the Company issued a news release on March 15, 2019 (the **March 15, 2019 News Release**) including:

- (a) it had "been made aware that information was published by a third party" late the day before "surrounding certain concessions in its 93,000 hectare land package not being in good standing";
- (b) the Company wished "to confirm all of its mineral concessions are in good standing and are 100% controlled";

- (c) a statement by Plateau's CEO and a director, Holmes, that "it's disappointing to see this irresponsible spread of misinformation" and that "Plateau is actively engaged with the government and communities where it operates, and will continue to operate in an open and transparent manner to the benefit of everyone involved"; and
- (d) the Company was in the process of "determining the source of the misinformation and is considering legal action."

26. Other than the references in the IKN Blog Post that the Cancellation Resolution was due to the *non-payment* of fees, whereas the Cancellation Resolution noted the failure to make *the timely payment* of fees and the use of the word "stripped" in the IKN Blog Post, the facts referred to in the IKN Blog Post were accurate, including that:

- (a) INGEMMET had issued the Cancellation Resolution on February 20, 2019 with the number 0464 in relation to the Disputed Concessions owned by Plateau's wholly owned subsidiary;
- (b) The Disputed Concessions formed part of the Company's project in the Macusani region of Puno, Peru;
- (c) the Cancellation Resolution declared that the mining rights associated with the Disputed Concessions had lapsed;
- (d) the Ocasasa 4 concession was among the Disputed Concessions included in the Cancellation Resolution; and,
- (e) according to the Company's technical report dated September 6, 2018, the Ocasasa 4 concession constituted 1,000 hectares of the total 1,700-hectare zone of the Falchani Lithium Project that contains the lithium resource.

27. Rather than disclose the existence of the Cancellation Resolution referred to in the IKN Blog Post, the March 15, 2019 News Release made no mention of the Cancellation Resolution and stated that:

- (a) the IKN Blog Post was an “irresponsible spread of misinformation”;
- (b) “all of its mineral concessions are in good standing and are 100% controlled”; and
- (c) the Company would continue to operate in a “transparent manner”.

28. Plateau made these statements in the March 15, 2019 News Release that it knew, or reasonably ought to have known, were materially misleading and/or untrue contrary to subsection 126.2(1) of the *Securities Act*, R.S.O. 1990, c S.5 (the **Act**) and these statements would reasonably be expected to have a significant effect on the market price or value of Plateau’s securities.

29. Holmes and others at Plateau were involved in the drafting of the March 15, 2019 News Release. As part of the drafting of the March 15, 2019 News Release, Holmes spoke with the Company’s Peru-based Chief Operating Officer (**COO**), who is fluent in Spanish and who is the conduit through which information flows from Peru to the Company’s Canadian executive.

30. Despite OSC Staff Notice 51-720 – Issuer Guide for Companies Operating in Emerging Markets published in 2012, there was an overreliance by Canadian management on Peruvian management. Holmes did not conduct a sufficient investigation of the accuracy of the IKN Blog Post before the issuance of the March 15, 2019 News Release in which Holmes is quoted as characterizing the IKN Blog Post as an “irresponsible spread of misinformation”. As set out above, the facts contained in the IKN Blog Post were essentially accurate and not an “irresponsible spread of misinformation.”

31. While Holmes obtained reports through the Peruvian INGEMMET database prior to the issuance of the March 15 News Release which confirmed that Plateau’s title to the Disputed Concessions was valid, Holmes acknowledges that he should have conducted a more thorough investigation including obtaining a copy and translation of the Cancellation Resolution and reviewing the resolution before the issuance of the March 15 News Release.

32. Holmes authorized, permitted or acquiesced in Plateau’s breach of subsection 126.2(1) of the Act in connection with the March 15, 2019 News Release, contrary to section 129.2 of the Act.

***Failure to Correct the March 15, 2019 News Release and Misleading Disclosure in Subsequent News Releases***

33. Following the publication of the March 15, 2019 News Release, a shareholder complaint came to Holmes' attention on March 17, 2019 regarding the lack of disclosure in the March 15, 2019 News Release (the **Complaint**):

*"I'm sorry to bother you again, but I'm really not feeling comfortable with the PLU press release. It's clear by now for every investor that took his / her time on the internet, there are definitely some rulings and potential problems with some of PLUs concessions. Maybe mr (sic) Holmes took legal advice about his choice of words in the press release, however the reason why the inkacola news blog came with the news was not addressed. While the PR warned about potential legal steps against the blogger, there is apparently proof the payment was too late. It's not because PLU has time till the end of the month to appeal that there are no problems."*

34. Despite Holmes' receipt of the Complaint and an English translation of the Cancellation Resolution on March 19, 2019, he failed to take steps to correct the March 15, 2019 News Release. Thereafter, the Company issued subsequent news releases between April 24, 2019 and July 18, 2019 (the **Subsequent News Releases**). The Subsequent News Releases contained misleading and/or untrue information as those news releases referred to either (a) the Company's "100% control of mineral concessions covering over 93,000 hectares" or (b) the Company's "mineral concessions covering over 93,000 hectares" without disclosing that the Company's rights over the Disputed Concessions were at risk of being lost. As a result, the Subsequent News Releases were inaccurate and incomplete because they did not contain balanced information about the Disputed Concessions. This omission gave the public a distorted picture of the Company's affairs in Peru.

35. By omitting this information, Plateau made statements in the Subsequent News Releases that it knew, or reasonably ought to have known, were materially misleading and/or untrue contrary to subsection 126.2(1) of the Act and these statements would reasonably be expected to have a significant effect on the market price or value of Plateau's securities.

36. Holmes authorized, permitted or acquiesced in Plateau's breach of subsection 126.2(1) of the Act in connection with the Subsequent News Releases, contrary to section 129.2 of the Act.



*Misleading Disclosure in the Q2 2019 Filings*

37. On May 22, 2019, the Company filed its second quarter interim financial statements for the period ending March 31, 2019 and related MD&A (together the **Q2 2019 Filings**). Holmes and Gibbs signed a certification in relation to the Q2 2019 Filings in which each of them certified that the Q2 2019 Filings did not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that was necessary to make the statement not misleading in light of the circumstances under which it was made (the **Certifications**). The Q2 2019 Filings made the following statements:

- (a) Plateau's MD&A stated that "the Company controls over 930 kilometres of territory on the Macusani plateau";
- (b) Note 4 to the financial statements stated that: "As at March 31, 2019, the Company, through its Peruvian subsidiaries, held a total of 151 mining concessions covering an aggregate area of approximately 93,000 hectares; and
- (c) Plateau's MD&A presented mineral resource estimates for the Falchani Lithium Project on an indicated and inferred basis that included the Ocacasa 4 concession.

38. Plateau knew or ought to have known that these statements were misleading and/or untrue contrary to subsection 126.2(1) of the Act because there was no disclosure in the Q2 2019 Filings that the mining rights associated with the Disputed Concessions (including Ocacasa 4) had lapsed following the Cancellation Resolution.

39. Prior to filing the Q2 2019 Filings, the Respondents received legal advice from Peruvian legal counsel that Plateau was very likely to prevail in its March 14, 2019 appeal of the Cancellation Resolution because the Company had complied with all payment requirements needed to maintain title to the Disputed Concessions. However, the legal advice did not address the immediate legal effect of the Cancellation Resolution upon the Company's mining rights.

40. Holmes as CEO took the lead on the disclosure decision relating to the Cancellation Resolution and obtained board approval. Plateau erroneously concluded that it did not have to disclose the Cancellation Resolution and its potential impact on Plateau's assets in the Q2 2019

Filings. Gibbs failed to sufficiently challenge Plateau's decision not to disclose the Cancellation Resolution in the Q2 2019 Filings.

41. Holmes, as CEO, and Gibbs, as part time CFO, had important gatekeeping roles in ensuring that the public was provided with disclosure of material facts in the Q2 filings. Holmes and Gibbs authorized, permitted or acquiesced in Plateau's breaching subsection 126.2(1) of the Act in connection with the Q2 2019 Filings, contrary to section 129.2 of the Act.

### *Selective Disclosure to Shareholders*

42. On the same day the March 15, 2019 News Release was issued, someone using the name "Juan Peru" made a post on the Stockhouse forum providing a detailed account of the events from July 2, 2018 onwards that led to the Cancellation Resolution (the **Juan Peru Forum Post**).

43. Following the publication of the IKN Blog Post and the Juan Peru Forum Post, between approximately March 14 and 19, 2019, Holmes, on behalf of the Company responded to inquiries from a number of concerned shareholders and analysts about the posts to try to mitigate panic selling and to "bring calm to the situation". During these discussions, Holmes referred to the following facts before they were generally disclosed: (a) certain of the facts in respect of the Cancellation Resolution, including the events leading up to that resolution; and (b) the Company's position in response. The Company, however, did not make any public disclosure of these facts until July 31, 2019.

44. The conduct described above violates the fundamental purposes and principles of the Act as set out in subsections 1.1 and 2.1 of the Act and is conduct contrary to the public interest. Specifically, it was contrary to the public interest for Holmes to provide selective disclosure of these material facts only to those investors who made inquiries. Selective disclosure is contrary to the requirements for timely, accurate and efficient disclosure of information and undermines the fairness and efficiency of the capital markets, thereby impairing the confidence in the capital markets.

### **Company Discloses the Regulatory Threats to the Disputed Concessions**

45. In July 2019, the Mining Council heard the Company's appeal of the Cancellation Resolution. The Mining Council subsequently denied the Company's appeal to suspend the Cancellation Resolution regarding the Disputed Concessions and confirmed the Cancellation Resolution through a series of resolutions (the **Mining Council Resolutions**).

46. On July 31, 2019, the Company issued a news release disclosing, for the first time, its ongoing administrative issues in respect of the Disputed Concessions (the **July 31, 2019 News Release**). The July 31, 2019 News Release informed investors that the Company's appeal to suspend the Cancellation Resolution affecting seven of the Disputed Concessions was denied. A material change report was filed on August 8, 2019 in connection with the July 31, 2019 News Release.

47. On August 6, 2019, the Company issued a news release disclosing that the Mining Council had dismissed the Company's appeal to suspend the Cancellation Resolution in connection with the remaining 25 of 32 Disputed Concessions (the **August 6, 2019 News Release**). A material change report was filed on August 12, 2019 in connection with the August 6, 2019 News Release.

### **Loss of the Disputed Concessions was Important Information to Investors**

48. Following the Company's disclosure on July 31, 2019, Plateau's share price declined from \$0.59 on July 25, 2019 (the last trading day before the stock was halted) to \$0.28 on August 1, 2019 (the day trading resumed).

49. The impact of the potential loss of some or all of the Disputed Concessions to the Company was explained in news releases issued by the Company from July 31, 2019 to at least February 4, 2020. Following the completion of the NI 43-101 preliminary economic assessment on February 4, 2020, the Company disclosed that, on a preliminary basis, the impact could represent:

- (a) 2.18 million tonnes (**Mt**) of the 4.7 Mt of contained Lithium Carbonate for the Falchani Lithium Project, representing a loss of approximately 46% of the contained Lithium Carbonate in the Falchani mineral resource estimate;

- (b) 36.0 million pounds (**MIbs**) of the total of 68.8 MIbs of contained Uranium Oxide for the Macusani Uranium Project concessions included in the Company's 2016 preliminary economic assessment (**PEA**) for that project, representing a loss of approximately 52% of the contained Uranium Oxide in the Macusani mineral resource estimate. In addition, a further two of the Disputed Concessions, not included in the 2016 Macusani PEA, represented a loss of an additional 3.2 MIbs of contained Uranium Oxide; and
- (c) that without the Ocacasa 4 concession, the net present value (after tax) of the Falchani Lithium Project was reduced by 46%, gross revenue was reduced by 58% and there was a 62% decrease in undiscounted cash flows (after tax).

### **Subsequent Corporate Changes**

50. On May 11, 2021, Plateau became a wholly-owned subsidiary of a public mining company which has been responsible for making disclosure and issuing financial statements in respect of Plateau since that time. As a result of that corporate change, Plateau was delisted from the TSX Venture Exchange, on May 18, 2021.

### **Subsequent Judicial Decision**

51. On November 2, 2021, the Peruvian Courts heard the Company's appeal of the Mining Council Resolutions, decided in favour of the Company and annulled the Mining Council Resolutions, the Cancellation Resolution and the Inadmissibility Resolution (the **Judicial Decision**). The Judicial Decision recognized that the Company had made payment of the Good Standing fees within the deadline.

### **Mitigating Factors**

52. By agreeing to this settlement agreement, a 14-day hearing on the merits has been avoided. This has saved resources for both the OSC and the Capital Market Tribunal. This has also obviated the need for witnesses to testify.

53. In May 2021, Holmes voluntarily completed the course, "Public Companies: Financial Governance and Compliance" at Simon Fraser University.

54. As part of this settlement agreement, Holmes and Gibbs will complete a customized education course, agreeable to the Commission, in relation to disclosure obligations, including with respect to certification of public filings pursuant to National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109)*.

**PART IV -NON-COMPLIANCE WITH ONTARIO SECURITIES LAW [AND/OR]  
CONDUCT CONTRARY TO THE PUBLIC INTEREST**

55. By engaging in the conduct described above, the Respondents admit and acknowledge the following:

- (a) Plateau made statements in the March 15, 2019 News Release that it knew or reasonably ought to have known, in a material respect and at the time and in the light of the circumstances under which they were made, were misleading or untrue or did not state a fact that is required to be stated or that is necessary to make the statements not misleading, contrary to subsection 126.2(1) of the Act. These statements would reasonably be expected to have a significant effect on the market price or value of Plateau's securities;
- (b) Holmes authorized, permitted or acquiesced in the contravention of subsection 126.2(1) of the Act by Plateau in connection with the March 15, 2019 News Release and is deemed to have failed to comply with Ontario securities law pursuant to section 129.2 of the Act;
- (c) Plateau made statements in the Subsequent News Releases that it knew or reasonably ought to have known, in a material respect and at the time and in the light of the circumstances under which they were made, were misleading or untrue or did not state a fact that is required to be stated or that is necessary to make the statements not misleading, contrary to subsection 126.2(1) of the Act. These statements would reasonably be expected to have a significant effect on the market price or value of Plateau's securities;
- (d) Holmes authorized, permitted or acquiesced in the contravention of subsection 126.2(1) of the Act by Plateau in connection with the Subsequent News Releases

and is deemed to have failed to comply with Ontario securities law pursuant to section 129.2 of the Act;

- (e) Plateau made statements in the Q2 2019 Filings that it knew or reasonably ought to have known, in a material respect and at the time and in the light of the circumstances under which they were made, were misleading or untrue or did not state a fact that is required to be stated or that is necessary to make the statements not misleading, contrary to subsection 126.2(1) of the Act. These statements would reasonably be expected to have a significant effect on the market price or value of Plateau's securities;
- (f) Each of Holmes and Gibbs authorized, permitted or acquiesced in the contravention of subsection 126.2(1) of the Act by Plateau in connection with the Q2 2019 Filings and are deemed to have failed to comply with Ontario securities law pursuant to section 129.2 of the Act; and
- (g) Holmes, engaged in conduct that is contrary to the public interest, as set out in paragraphs 42 and 43 above.

## **PART V - TERMS OF SETTLEMENT**

56. The Respondents agree to the terms of settlement set forth below.

57. The Respondents consent to the Order substantially in the form attached to this Settlement Agreement as Schedule "A", pursuant to which it is ordered that:

- (a) the Respondents shall be reprimanded pursuant to paragraph 6 of subsection 127(1) of the Act;
- (b) Holmes shall resign any position he holds as director of any reporting issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
- (c) for two years following the order approving this Settlement Agreement, Holmes shall be prohibited from becoming or acting as a director or certifying officer, as

defined in NI 52-109, of any reporting issuer, pursuant to paragraph 8 of subsection 127(1) of the Act;

- (d) Gibbs shall resign any position he holds as director of any reporting issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
- (e) for one year following the order approving this settlement agreement, Gibbs shall be prohibited from becoming or acting as a director of any reporting issuer, pursuant to paragraph 8 of subsection 127(1) of the Act;
- (f) Within one year of the order approving the settlement agreement, each of Holmes and Gibbs shall complete a customized education course, agreeable to the Commission, in relation to disclosure obligations, including with respect to certification of public filings pursuant to NI 52-109, at their own expense;
- (g) Plateau shall pay an administrative penalty of \$500,000 for the failure to comply with Ontario securities law, by wire transfer before the commencement of the Settlement Hearing, pursuant to paragraph 9 of subsection 127(1) of the Act;
- (h) Holmes shall pay an administrative penalty of \$175,000 for the failure to comply with Ontario securities law, by wire transfer before the commencement of the Settlement Hearing, pursuant to paragraph 9 of subsection 127(1) of the Act;
- (i) Gibbs shall pay an administrative penalty of \$75,000 for the failure to comply with Ontario securities law, by wire transfer before the commencement of the Settlement Hearing, pursuant to paragraph 9 of subsection 127(1) of the Act;
- (j) Plateau shall pay \$210,000 towards the costs of the Commission investigation, by wire transfer before the commencement of the Settlement Hearing, pursuant to section 127.1 of the Act;
- (k) Holmes shall pay \$60,000 towards the costs of the Commission investigation, by wire transfer before the commencement of the Settlement Hearing, pursuant to section 127.1 of the Act; and

- (l) Gibbs shall pay \$30,000 towards the costs of the Commission investigation, by wire transfer before the commencement of the Settlement Hearing, pursuant to section 127.1 of the Act.

58. The Respondents acknowledge that, in addition to any proceedings referred to in paragraphs 61 and 62, failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondents' names being added to the list of "Respondents Delinquent in Payment of Commission Orders" published on the Commission's website.

59. The Respondents consent to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the sanctions set out in paragraph 57, other than subparagraphs 57 (g) through (l). The applicable sanctions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

60. The Respondents acknowledge that this Settlement Agreement and the Order may form the basis for orders of parallel effect in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities regulator of any other jurisdiction in which the Respondents intends to engage in any securities- or derivatives-related activities, prior to undertaking such activities.

## **PART VI - FURTHER PROCEEDINGS**

61. If the Tribunal approves this Settlement Agreement, no enforcement proceeding will be commenced or continued against the Respondents under Ontario securities law based on the misconduct described in Part III of this Settlement Agreement, unless one or more of the Respondents fail to comply with any term in this Settlement Agreement, in which case enforcement proceedings may be brought under Ontario securities law against that or those Respondents that may be based on, among other things, the facts set out in Part III of this Settlement Agreement as well as the breach of this Settlement Agreement.

62. The Respondents acknowledge that, if the Tribunal approves this Settlement Agreement and the Respondents fail to comply with any term in it, proceedings may be brought in order to, among other things, recover the amounts set out in sub-paragraphs 57 (g) through (l), above.



63. The Respondents waive any defences to a proceeding referenced in paragraphs 61 and 62 that are based on the limitation period in the Act, provided that no such proceeding shall be commenced later than six years from the date of the occurrence of the last failure to comply with this Settlement Agreement.

#### **PART VII - PROCEDURE FOR APPROVAL OF SETTLEMENT**

64. The parties will seek approval of this Settlement Agreement at the Settlement Hearing before the Tribunal, which shall be held on a date determined by the Registrar, Governance & Tribunal Secretariat of the Commission in accordance with this Agreement and the Tribunal's *Rules of Procedure and Forms*.

65. Representatives of the Respondents will attend the Settlement Hearing by video conference.

66. The parties confirm that this Settlement Agreement sets forth all facts that will be submitted at the Settlement Hearing, unless the parties agree that additional facts should be submitted at the Settlement Hearing.

67. If the Tribunal approves this Settlement Agreement:

- (a) the Respondents irrevocably waive all rights to a full hearing, judicial review or appeal of this matter under the Act; and
- (b) no party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the Settlement Hearing.

68. Whether or not the Tribunal approves this Settlement Agreement, the Respondents will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any attack on the Tribunal's jurisdiction, alleged bias, alleged unfairness or any other remedies or challenges that may be available.

#### **PART VIII - DISCLOSURE OF SETTLEMENT AGREEMENT**

69. If the Tribunal does not make the Order:

- (a) this Settlement Agreement and all discussions and negotiations between the parties before the Settlement Hearing will be without prejudice to any party; and
- (b) the parties will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations contained in the Statement of Allegations in respect of the Proceeding. Any such proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this Settlement Agreement.

70. The parties will keep the terms of this Settlement Agreement confidential until the Tribunal approves the Settlement Agreement, except as is necessary to make submissions at the Settlement Hearing. If, for whatever reason, the Tribunal does not approve the Settlement Agreement, the terms of the Settlement Agreement shall remain confidential indefinitely, unless the parties otherwise agree in writing or if required by law.

#### **PART IX - EXECUTION OF SETTLEMENT AGREEMENT**

71. This Settlement Agreement may be signed in one or more counterparts which together constitute a binding agreement.

72. An electronic copy of any signature will be as effective as an original signature.

**DATED** at Vancouver, BC, this 20<sup>th</sup> day of October, 2022.

#### **PLATEAU ENERGY METALS INC.**

I have authority to bind the Corporation.

By: “Simon Clarke”  
Name: Simon Clarke

Title: CEO

**DATED** at Duncan, BC this 21<sup>st</sup> day of October, 2022.

**“M Fournie”**

\_\_\_\_\_  
Witness: Mitchell Fournie

**“Alexander Holmes”**

\_\_\_\_\_  
**ALEXANDER FRANCIS  
CUTHBERT HOLMES**

**DATED** at Oakville, Ontario this 21<sup>st</sup> day of October, 2022.

**“Wendy Heather Gibbs”**

\_\_\_\_\_  
Witness: Wendy Heather Gibbs

**“Phillip N Gibbs”**

\_\_\_\_\_  
**PHILIP NEVILLE GIBBS**

**DATED** at Toronto, Ontario, this 25<sup>th</sup> day of October, 2022.

**ONTARIO SECURITIES COMMISSION**

By:

**“Jeff Kehoe”**

\_\_\_\_\_  
Name: Jeff Kehoe

Title: Director, Enforcement Branch

**SCHEDULE “A”  
FORM OF ORDER**



Capital Markets Tribunal	Tribunal des des marches financiers	22nd Floor 20 Queen Street West Toronto ON M5H 3S8	22e étage 20, rue Queen oust Toronto ON M5H 3S8
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**IN THE MATTER OF  
PLATEAU ENERGY METALS INC., ALEXANDER FRANCIS CUTHBERT HOLMES and  
PHILIP NEVILLE GIBBS**

File No.

*(Names of panelists comprising the panel)*

*(Day and date order made)*

**ORDER**

(Sections 127 and 127.1 of the  
*Securities Act*, RSO 1990, c. S.5)

**WHEREAS** on [date] the Capital Markets Tribunal held a hearing by videoconference to consider the request for approval of a settlement agreement dated [date] (the **Settlement Agreement**);

**ON READING** the Joint Application for Settlement Hearing, including the Statement of Allegations dated May 3, 2021 and the Settlement Agreement, the written submissions, and on hearing the submissions of representatives of each of the parties, and on considering Plateau Energy Metals Inc. (**Plateau**), Alexander Francis Cuthbert Holmes (**Holmes**), and Philip Neville Gibbs (**Gibbs**), having made payments of \$500,000, \$175,000 and \$75,000 respectively on account of administrative penalties and \$210,000, \$60,000 and \$30,000 respectively on account of costs to the Commission in accordance with the terms of the Settlement Agreement, and on being advised that Holmes and Gibbs have completed the customized education course agreed to as a term of the Settlement Agreement,

**IT IS ORDERED** that:

1. the Settlement Agreement is approved;
2. each of the Respondents is reprimanded pursuant to paragraph 6 of subsection 127(1) of the Act;
3. Holmes immediately resign any position he holds as director of any reporting issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
4. for two years following the order approving the Settlement Agreement, Holmes shall be prohibited from becoming or acting as a director or certifying officer, as defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim*

*Filings (NI 52-109)*, of any reporting issuer, pursuant to paragraph 8 of subsection 127(1) of the Act;

5. Gibbs immediately resign any position he holds as director of any reporting issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
6. for one year following the order approving the Settlement Agreement, Gibbs shall be prohibited from becoming or acting as a director of any reporting issuer, pursuant to paragraph 8 of subsection 127(1) of the Act;
7. Plateau pay an administrative penalty of \$500,000 pursuant to paragraph 9 of subsection 127(1) of the Act;
8. Holmes pay an administrative penalty of \$175,000 pursuant to paragraph 9 of subsection 127(1) of the Act;
9. Gibbs pay an administrative penalty of \$75,000 pursuant to paragraph 9 of subsection 127(1) of the Act;
10. Plateau pay costs of the Commission's investigation in the amount of \$210,000 pursuant to section 127.1 of the Act.
11. Holmes pay costs of the Commission's investigation in the amount of \$60,000 pursuant to section 127.1 of the Act.
12. Gibbs pay costs of the Commission's investigation in the amount of \$30,000 pursuant to section 127.1 of the Act.

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[Adjudicator]

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[Adjudicator]

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[Adjudicator]