

CSA Notice of Coordinated Blanket Order 51-933 Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers

March 19, 2026

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) is introducing a pilot project to allow eligible venture issuers to voluntarily adopt semi-annual financial reporting (the **SAR Pilot**). We have adopted the SAR Pilot through Coordinated Blanket Order 51-933 *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers* (the **Blanket Order**). The Blanket Order includes exemptions from certain continuous disclosure requirements and establishes a voluntary semi-annual reporting framework for a subset of venture issuers, subject to certain terms and conditions.

The Blanket Order is effective as of the date of this Notice.

While the Blanket Order is in effect, the CSA also intends to engage in a broader rule-making project related to voluntary semi-annual reporting (**SAR**) and will use learnings from the SAR Pilot to inform this initiative. In the interim, we will continue to monitor international developments relating to SAR.

On October 23, 2025, we published the proposed Blanket Order for a 60-day comment period to seek comment on the scope of the SAR Pilot. This Notice outlines the terms of the SAR Pilot we have adopted and includes a summary of comments received and CSA responses to those comments. The list of commenters, and summary of comments and CSA responses is attached as Annex A to this Notice. The Blanket Order is attached as Annex B to this Notice. A summary of the terms and conditions of the SAR Pilot and relevant CSA commentary is attached as Annex C to this Notice. Where applicable, Annex D is also attached to this Notice and includes any additional information that is relevant to the local jurisdiction publishing the Annex. The Blanket Order will also be available on websites of CSA jurisdictions, including:

www.lautorite.qc.ca

www.asc.ca

www.bcsc.bc.ca

nssc.novascotia.ca

www.fcnb.ca

www.osc.ca

www.fcaa.gov.sk.ca

mbsecurities.ca

Ontario's local Blanket Order includes an 18-month expiry date based on the statutory term limits for blanket orders¹. On October 23, 2025, the Ontario Securities Commission

¹ See subsection 143.11(3) of the *Securities Act* (Ontario).

concurrently published for a 60-day comment period a proposed local rule to maintain the continuous disclosure exemptions that are in Ontario's local Blanket Order after its expiry.² For additional information, please refer to Annex D in Ontario. The Blanket Orders in the other CSA jurisdictions do not have an expiry date and therefore local rules are not required.

Background

Reporting issuers are currently required to file quarterly interim financial reports and accompanying management's discussion and analysis (**MD&A**). While quarterly reporting may provide timely information to investors and intermediaries, some stakeholders are of the view that there may be instances in which the cost of preparing such frequent reporting for smaller venture issuers exceeds the benefit to investors and the market.

Prior CSA Consultations Related to SAR

In developing the SAR Pilot, we considered the commentary received on prior public proposals put forward by the CSA in 2011, 2017 and 2021 (collectively, the **Prior CSA Proposals**), which sought to amend National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) to permit SAR for certain reporting issuers.

Stakeholders that commented on the Prior CSA Proposals generally agreed that smaller venture issuers face a disproportionate burden through ongoing quarterly reporting requirements. Cost reduction was a factor raised by many stakeholders in each of the Prior CSA Proposals. Several commenters of the Prior CSA Proposals also raised concerns that a shift to SAR may harm our public markets as investors will have less timely financial information available. We believe that optional SAR would provide a meaningful benefit for smaller venture issuers and that the benefits to be derived from the SAR Pilot outweigh the concerns raised.

Substance and Purpose of the SAR Pilot

The SAR Pilot provides an exemption for certain issuers listed on the TSX Venture Exchange Inc. (**TSXV**) or the CNSX Markets Inc. (**CSE**) from the requirement to file an interim financial report for each of the three and nine-month interim periods of a financial year under NI 51-102 (collectively, the **First and Third Quarter Financial Disclosures**).

The SAR Pilot is intended to reduce administrative burden and costs associated with the preparation of the First and Third Quarter Financial Disclosures.

Participation in the SAR Pilot is voluntary.

² Subject to Ministerial approval, the Ontario Securities Commission local rule will take effect after the initial 18-month expiration of Ontario's local Blanket Order and is intended to ensure the implementation of the multi-year SAR Pilot.

Summary of the SAR Pilot

Pursuant to the terms and conditions of the Blanket Order, to report on a semi-annual basis, issuers must be venture issuers that have, among other things:

- securities listed on the TSXV or the CSE;
- revenue of no more than \$10 million;
- at least a 12-month continuous disclosure record;
- filed all required periodic and timely continuous disclosure documents;
- issued and filed a news release on SEDAR+ announcing adoption of SAR.

A summary of the SAR Pilot including a description of terms and conditions and relevant CSA commentary is attached as Annex C to this Notice.

Comments Received on the SAR Pilot

We published the proposed Blanket Order for comment on October 23, 2025, under CSA Notice of Publication and Request for Comment Proposed Coordinated Blanket Order 51-933 *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers*. A total of 21 comment letters were received during the comment period.

The names of the commenters and a summary of their comments, together with CSA responses, are contained in Annex A to this Notice. We thank all of the commenters for their input.

A majority of the commenters were generally or somewhat supportive of the SAR Pilot. Generally supportive commenters noted how the SAR Pilot would meaningfully reduce burden for smaller venture issuers while maintaining investor protection. Generally supportive commenters also commended the voluntary nature of the SAR Pilot, which allows eligible issuers to continue quarterly reporting if preferred and adopt the reporting frequency best suited to their operations and investor base. Commenters that expressed concerns or were not supportive of the SAR Pilot generally noted that the SAR Pilot may introduce information asymmetry that could weaken investor confidence, transparency, and investors' ability to compare issuers due to differences in reporting frequency.

We appreciate and acknowledge the comments received, including those that raised concerns with the SAR Pilot. On balance, we believe the benefits of the SAR Pilot outweigh the risks. We believe the scope of the SAR Pilot and existing timely disclosure requirements, including the ongoing requirement to report material changes, together with venture exchange listing requirements, can help mitigate these risks.

In response to the comments received on the SAR Pilot, we have updated the Blanket Order to clarify that issuers who participate in the SAR Pilot must not distribute securities under an existing shelf prospectus supplement. We have also made some formatting changes to the Blanket Order.

We do not consider these changes to be material.

In connection with the comments received on the SAR Pilot, we have also updated Annex C – *Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary* with respect to the following:

- clarifying the 12-month reporting issuer history requirement for successor issuers;
- reminding reporting issuers relying on the exemptions in the Blanket Order of their obligations to comply with other existing disclosure requirements relating to timely disclosure and material change reporting;
- clarifying disclosure expectations regarding an issuer's ongoing participation in the SAR Pilot;
- clarifying expectations for issuers relying on the exemptions in the Blanket Order that change their financial year-end;
- clarifying the eligibility of issuers relying on the exemptions in the Blanket Order that provide interim financial disclosure in connection with a prospectus offering or restructuring transaction;
- providing guidance regarding disclosure related to comparative financial information when an issuer ceases to rely on the exemptions in the Blanket Order;
- providing disclosure expectations in circumstances when an issuer ceases to rely on the exemptions in the Blanket Order.

The SAR Pilot is intended to provide data-driven insights to the CSA for a future rule-making project relating to SAR. Comments and feedback received will be used to assist in the analysis of the SAR Pilot and to inform the future rule-making project.

List of Annexes

This notice contains the following annexes:

- Annex A – List of Commenters, Summary of Comments and CSA Responses
- Annex B – Blanket Order
- Annex C – Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary
- Where applicable, Annex D – Local Matters (including any local amendments)

Questions

Please refer your questions to any of the following:

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**Autorités canadiennes
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Financial and Consumer Services Commission of New Brunswick

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Annex A
List of Commenters, Summary of Comments and CSA Responses

LIST OF COMMENTERS

1. Treewalk (October 24, 2025)
2. Marrelli Support Services Inc. (November 18, 2025)
3. Canadian Coalition for Good Governance (December 2, 2025)
4. Canadian Independent Finance and Innovation Counsel (December 15, 2025)
5. Goodmans LLP (December 15, 2025)
6. FAIR Canada (December 19, 2025)
7. Investor Advisory Panel (December 22, 2025)
8. The Prospectors & Developers Association of Canada (December 22, 2025)
9. Canadian Securities Exchange (December 22, 2025)
10. Torys LLP (December 22, 2025)
11. S. Mark Francis (December 22, 2025)
12. Portfolio Management Association of Canada (December 22, 2025)
13. The Canadian Centre for Audit Quality (December 22, 2025)
14. TSX Venture Exchange Inc. (December 22, 2025)
15. Canadian Forum for Financial Markets (December 22, 2025)
16. Deloitte LLP (December 22, 2025)
17. Jaime Sutton (December 22, 2025)
18. Borden Ladner Gervais LLP (December 22, 2025)
19. Cassels Brock & Blackwell LLP (December 22, 2025)
20. PricewaterhouseCoopers LLP (December 22, 2025)
21. Canadian Advocacy Council of CFA Societies Canada (December 22, 2025)

SUMMARY OF COMMENTS AND CSA RESPONSES

Overall Commentary on the Proposed SAR Pilot

We appreciate and acknowledge the comments received, including those that raised concerns with the SAR Pilot. We intend to monitor these concerns throughout the duration of the SAR Pilot. On balance, we believe the benefits of the SAR Pilot outweigh the risks.

Generally Supportive	<p><u>General Support</u> 11 commenters generally agreed with the proposed SAR Pilot and expressed their support for the initiative and its objectives.</p> <p><u>Proportionate Burden Reduction</u> Six commenters noted their belief that the SAR Pilot would meaningfully reduce burden for venture issuers while maintaining investor protection.</p> <p><u>Voluntary Election</u> Four commenters also commended the voluntary nature of the SAR Pilot, which allows eligible issuers to continue quarterly reporting if preferred and adopt the reporting frequency best suited to their operations and investor base.</p>
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	<p><u>Improvement in Disclosure Quality</u></p> <p>One commenter noted that shifting to SAR could improve disclosure quality by encouraging issuers and advisors to prepare more comprehensive reports. They added that the SAR Pilot enhances market efficiency by helping better-resourced issuers remain active in public markets and supports growth and liquidity in the venture market by reducing barriers and compliance costs.</p> <p><u>Enhance Focus and Allocation</u></p> <p>Two commenters wrote that the SAR Pilot would enhance managerial focus and resource reallocation. One such commenter noted the SAR Pilot could reduce pressure for managerial short-termism.</p> <p><u>Harmonization with Major Jurisdictions</u></p> <p>Five commenters indicated that the SAR Pilot aligns Canada with other major jurisdictions that generally allow for SAR. Four such commenters noted that the U.S. Securities and Exchange Commission (SEC) signaled the SEC’s openness to reducing reporting frequency.</p> <p><u>Miscellaneous</u></p> <p>Other commenters noted that:</p> <ul style="list-style-type: none"> • permitting venture issuers to report on a semi-annual basis could encourage more public market financing, and benefit investors by providing increased access to investment opportunities; • the SAR Pilot would not interfere with event-driven disclosure obligations, including material change reporting; • venture issuers generally receive little to no analyst coverage, accordingly, the SAR Pilot would not diminish an existing benefit for most venture issuers.
<p>Somewhat Supportive But Expressed Concerns</p>	<p>Five commenters were somewhat supportive of the SAR Pilot but expressed concerns mainly related to the risks associated with information asymmetry.</p>
<p>Not Supportive</p>	<p><u>General Concerns</u></p> <p>Five commenters expressed general concern with the SAR Pilot.</p> <p><u>Information Asymmetry</u></p> <p>These commenters also noted that the SAR Pilot would introduce information asymmetry that could weaken investor confidence, market quality, and transparency. Some commenters noted that a change that increases perceived investment risk may harm issuers by reducing comparability, decreasing governance touchpoints, increasing their cost of capital or reducing their access to public market financing.</p> <p>A few commenters noted that quarterly financial reporting provides investors with critical insight into liquidity, burn rate, and operational progress, particularly during periods preceding dilutive financings and for early-stage issuers which may be speculative and who often face cash constraints.</p>

	<p><u>Selective Disclosure</u></p> <p>These commenters highlighted selective disclosure and insider/tippee trading concerns. Some of these commenters noted that SAR eligible issuers may be required to make quarterly financial disclosures to their bankers, creditors and others, while such disclosures are not publicly available for use by investors.</p> <p><u>Reporting Costs</u></p> <p>Some commenters noted that a switch to SAR may not materially impact an issuer's annual reporting costs or financial position and also requested that a quantitative cost benefit analysis be conducted prior to enacting the SAR Pilot.</p> <p><u>Existing Disclosure Requirements</u></p> <p>A few commenters expressed concerns that relying on existing event-driven disclosure obligations, including material change reporting and timely disclosure may be insufficient to address information asymmetry arising from the longer periods between periodic disclosure.</p> <p><u>Global Competitiveness</u></p> <p>Two commenters noted that Canada may be able to enhance the global competitiveness of its capital markets by retaining quarterly reporting.</p> <p><u>Implications on Third Parties</u></p> <p>One commenter cautioned that the SAR Pilot could strain external service providers, deter suppliers from working with smaller reporting issuers, reduce financial transparency and create inconsistencies across compliance frameworks.</p>
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Responses to Specific Questions

1. *Do you agree with the eligibility criteria and conditions in the Blanket Order for the SAR Pilot? Are there any other eligibility criteria that should disqualify issuers from participating in the SAR Pilot? Are there any other conditions that issuers participating in the SAR Pilot should be subject to?*

We acknowledge and thank the commenters for these comments. We have categorized the specific comments and our responses into the following themes:

Theme	Comment	CSA Responses
Eligibility Criteria and Conditions	A number of commenters expressed concern that the SAR Pilot's \$10 million annual revenue threshold may not fully capture a company's size, stage of development, operational complexity or capability to withstand compliance costs.	We have reviewed all of these comments, and given the range of feedback received, on balance we have determined that for the purposes of the SAR Pilot, we will maintain the existing eligibility

Theme	Comment	CSA Responses
	<p>A number of commenters recommended broadening the eligibility of the SAR pilot beyond issuers with \$10 million in revenue.</p> <p>Other commenters suggested a reduced eligibility threshold or additional eligibility criteria based on an issuer’s revenue, activity profile, sector, exchange tier listing, market capitalization, operating history, the number of its shareholders, the value of its assets or certain incurred costs.</p> <p>A number of commenters recommended that the SAR Pilot should exclude issuers that have not carried on substantive business activity within a defined period. Conversely, one commenter suggested that the SAR Pilot only include inactive businesses, such as Capital Pool Companies.</p> <p>A number of commenters suggested additional criteria to exclude issuers that have disclosed conditions or events that raise significant doubt about the entity's ability to continue as a going concern or issuers that incurred late filing fees or administrative penalties in the last 12 months. Other commenters requested a transition period after an issuer announces its intention to adopt SAR and suggested increasing the look-back period for certain conditions from 12 months to 24 months.</p> <p>One commenter suggested excluding issuers undergoing or contemplating reverse takeovers (RTOs) or other significant transactions, or that have recently completed a prospectus offering. Another commenter requested clarification as to whether the resulting issuer of a qualifying transaction or RTO can rely on the continuous disclosure record of the previously listed entity for determination of the SAR Pilot’s 12-month continuous disclosure record requirement.</p> <p>Conversely, a number of commenters recommended expanding SAR Pilot eligibility to all venture issuers or otherwise allow for broader representation from a variety of industry sectors.</p>	<p>criteria and conditions. We will carefully analyze data from the SAR Pilot to inform future rule-making.</p> <p>We have provided further guidance regarding RTOs and changes in year-end in Annex C – <i>Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary</i>.</p>

Theme	Comment	CSA Responses
	<p>Four commenters noted that revenue fluctuations are common among venture issuers. Some of these commenters suggested applying a rolling average revenue or similar metric over a defined period to reduce volatility, possibly combined with a market capitalization test.</p> <p>Multiple commenters also recommended broadening the SAR Pilot to allow participating issuers to use semi-annual disclosure requirements in prospectuses and other documents, including circulars. One commenter requested that the SAR Pilot allow eligible issuers to file base shelf prospectuses.</p> <p>Commenters also noted that:</p> <ul style="list-style-type: none"> • issuers should be ineligible for the SAR Pilot if they have conducted an offering using the Listed Issuer Financing Exemption under Part 5A of National Instrument 45-106 <i>Prospectus Exemptions (LIFE)</i> within the past 12 months or intend to rely on LIFE while participating; • issuers should be able to continue to participate in the SAR Pilot where they change their financial year end; • issuers should be ineligible for the SAR Pilot if they are required to prepare quarterly financial statements for external stakeholders. 	
Alternative Disclosure	<p>A number of commenters recommended including a requirement that issuers participating in the SAR Pilot prepare and file some form of alternative financial disclosure relating to their first and third interim periods.</p> <p>Suggestions for alternative disclosure included:</p> <ul style="list-style-type: none"> • securities issuances or cancellations; • cash balances or other disclosure related to cash such as a cash flow report; • key expenses and operating outflows; • material changes; • net working capital. 	<p>For the purposes of the SAR Pilot, we are not proposing requisite alternative disclosure, as it runs the risk of undermining the primary purpose of the SAR Pilot, namely reducing regulatory burden and costs associated with frequent financial reporting for smaller venture issuers. We note that SAR participating issuers</p>

Theme	Comment	CSA Responses
	<p>Two commenters noted that, while Australian securities rules generally require semi-annual financial reporting, the country's exchanges mandate streamlined quarterly activity reports for mining and oil & gas entities, as well as quarterly cash flow reports for exploration companies.</p> <p>One commenter suggested that, instead of limiting the SAR Pilot's eligibility to issuers with revenues of no more than \$10 million, the CSA should require all issuers to provide first- and third-quarter alternative disclosure by news release.</p>	<p>remain subject to timely disclosure and material change reporting requirements under securities laws and venture exchange rules.</p> <p>However, for the future rule-making project, we will determine whether, and under what circumstances, alternative disclosure would be appropriate and what form it would take, if any.</p> <p>We have provided further guidance regarding existing timely disclosure and material change reporting requirements and accompanying policies in Annex C – <i>Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary</i>.</p>
<p>Additional and Periodic Notices of Status/ Participation</p>	<p>We received several comments related to requiring additional disclosure that will inform investors on how to assess whether an issuer is opting in- or out- of the SAR Pilot, including news release timing and requirements, and disclosure in other continuous disclosure documents, websites and direct correspondence.</p> <p>One commenter, however, requested that the CSA eliminate the news release requirement, as it could have unintended consequences on an issuer's market perception.</p>	<p>We have provided further guidance with respect to our expectations regarding notice of status within the SAR Pilot in Annex C – <i>Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary</i>.</p>
<p>Voluntary Disclosure of Interim Financial Information</p>	<p>Some commenters expressed concern that, where SAR participating issuers may continue to voluntarily disclose certain first and third quarter interim financial information, such information may not be prepared with the same level of transparency and oversight and</p>	<p>If SAR participating issuers choose to voluntarily disclose quarterly financial information, they must ensure that such</p>

Theme	Comment	CSA Responses
	<p>may also include more “non-GAAP” financial information than quarterly financial reports. One commenter recommended the CSA provide guidance and establish minimum disclosure requirements related to such communications.</p>	<p>information complies with applicable securities laws. For further guidance, issuers are encouraged to contact their principal regulator to discuss staff’s expectations.</p>
<p>Significant Transactions</p>	<p>Some commenters requested clarification with respect to the following:</p> <ul style="list-style-type: none"> • the determination of which interim financial report should be used for purposes of preparing a business acquisition report (BAR); and • how the SAR Pilot applies to RTOs. 	<p>The SAR Pilot is not meant to alter prospectus or prospectus-level disclosure required in the context of a prospectus offering or a circular. In circumstances where a BAR may be required in the context of a probable significant acquisition, we encourage the filing entity to contact their principal regulator to discuss staff’s expectations.</p> <p>We have clarified the disclosure required for RTOs in Annex C – <i>Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary</i>.</p>
<p>Other Recommendations</p>	<p>We also heard feedback that, before implementation of or during the pilot phase, as appropriate, we should:</p> <ul style="list-style-type: none"> • maintain an easily accessible list of all companies adopting SAR to enable investors, analysts, and other market participants to identify which issuers are using SAR and to support informed investment decisions and market transparency; • consider granting CSA members clear authority to require issuers to revert to quarterly reporting whenever deemed necessary; 	<p>We will consider each of these recommendations, including whether and how to best address them. We will carefully analyze data from the SAR Pilot to inform future rule-making.</p>

Theme	Comment	CSA Responses
	<ul style="list-style-type: none"> • consider the impact of the SAR Pilot on third parties, such as those that assist in the preparation of quarterly financial information; • work with the exchanges to develop and promote educational materials about SAR to explain the implications of SAR and guide investors on how to find information about SAR participating issuers; • focus a portion of the CSA’s continuous disclosure reviews on SAR participating issuers in respect of material change reports and alternative quarterly disclosure; • monitor international developments related to SAR and developments impacting cross-listed issuers, including cross-listed issuers on U.S. exchanges; • provide the expected timeframe for the SAR Pilot and outline the criteria the CSA intends to use to assess its success or failure; and • include a five-year CSA review of the SAR Pilot or permanent SAR framework with automatic expiry if the review is not completed. 	

2. *The SAR Pilot is intended to be a multi-year pilot project. The CSA intends to engage in a formal rule-making project to consider whether the SAR Pilot should be adjusted in terms of scope, eligibility and conditions. Please provide any feedback in respect of criteria or conditions that could be considered as part of the future rule-making project. Please note that the planned rule-making project related to SAR will include a request for comment.*

We acknowledge and thank the commenters for their feedback in respect of criteria or conditions that could be considered as part of the future rule-making project. We have summarized the key comments received in the table below. We will consider all feedback received, along with the considerations highlighted in Question 1, above, during the rule-making process.

Theme	Consideration
Eligibility Criteria	Whether the CSA should consider eventually expanding the SAR Pilot’s framework to include issuers with annual revenues of over \$10 million, including whether to make SAR the default requirement for all issuers with optional quarterly reporting.

Theme	Consideration
	<p>Whether to require shareholder approval of SAR at each annual general meeting as part of any future rule-making initiative.</p> <p>Whether newly listed venture issuers should be allowed to participate in the SAR Pilot.</p>
Alternative Disclosure	<p>Whether issuers should be required to file certain condensed financial information similar to an earnings release but the form of which would be set out in NI 51-102.</p> <p>Whether, for issuers that have not generated any revenue, relevant financial information could be adequately disclosed through alternative continuous disclosure mechanisms.</p>
Other Recommendations	<p>We also heard feedback that we should:</p> <ul style="list-style-type: none"> • consider whether certain continuous disclosure obligations should be simplified or eliminated instead of pursuing the SAR Pilot; • consider whether to exempt venture issuers with annual revenues below \$10 million from Canadian Public Accountability Board oversight, rather than pursue the SAR Pilot; • consider whether any future SAR related rule-making proposal be paired with a requirement for issuers to file financial statements in XBRL or iXBRL format, alongside the development and deployment of market-utility tools easing the cost of production, review, and filing of disclosure information; • review and consider the experience in other jurisdictions where less frequent reporting is permitted, to determine whether issuers took advantage of this option, whether it impacted their ability to raise capital, and whether there have been other positive or negative consequences; • collect data on specified metrics throughout the SAR Pilot to assess its impact both on venture issuers and investors and provide information to stakeholders as the SAR Pilot progresses to inform their beliefs regarding a broader SAR related rule-making project.

ANNEX B

Financial and Consumer Services Commission of New Brunswick (Commission)

Coordinated Blanket Order 51-933

Citation: Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers

(Order under sections 92(1) and 208(1) of the Securities Act)

Date: March 19, 2026

Definitions

1. Terms defined in the *Securities Act* (New Brunswick) (**Act**) and National Instrument 14-101 *Definitions* have the same meaning if used in this Order.

2. In this Order:

“base shelf prospectus” has the meaning ascribed to that term in National Instrument 44-102 *Shelf Distributions*.

“exchange listed security” means a security of a reporting issuer that is listed and posted for trading on TSX Venture Exchange Inc. or CNSX Markets Inc.

“Form 51-102F1” means Form 51-102F1 *Management’s Discussion & Analysis*.

“interim period” has the meaning ascribed to that term in NI 51-102.

“MD&A” has the meaning ascribed to that term in NI 51-102.

“NI 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*.

“Quarterly Reporting Exemption” means the exemption provided in Section 5 of this Order.

“revenue” means income arising in the course of an issuer’s ordinary activities determined in accordance with the accounting principles applied to the preparation of the issuer’s annual financial statements.

“shelf prospectus supplement” has the meaning ascribed to that term in National Instrument 44-102 *Shelf Distributions*.

“venture issuer” has the meaning ascribed to that term in NI 51-102.

Background

3. The purpose of this Order is to exempt a specified class of reporting issuers from certain three and nine-month continuous disclosure requirements. While quarterly financial statements provide timely information to investors, for certain reporting issuers there can be instances in which the regulatory and internal cost of preparing such frequent reporting exceeds their benefit.

Order

4. The Executive Director of Securities, considering that to do so would not be prejudicial to the public interest, orders under subsections 92(1) and 208(1) of the *Act*, the exemptions set out below, subject to the conditions of this Order.

Three and Nine-Month Quarterly Reporting

5. A reporting issuer is exempt from the requirement to file an interim financial report for each of the three and nine-month interim periods of its financial year, as required by subsection 4.3(1) of NI 51-102, provided that the issuer satisfies all of the following conditions at the end of each such three and nine-month interim period, as applicable:
 - (a) the issuer has been a reporting issuer in at least one jurisdiction of Canada for at least 12 months.
 - (b) the issuer is a venture issuer.
 - (c) the issuer has exchange listed securities.
 - (d) the issuer has revenue, as shown on the issuer's most recently filed audited annual financial statements, of no more than \$10 million.
 - (e) the issuer has filed with the regulator or securities regulatory authority in each jurisdiction in which it is a reporting issuer all periodic and timely disclosure documents that it is required to have filed in that jurisdiction
 - (i) under applicable securities legislation.
 - (ii) pursuant to an order issued by the regulator or securities regulatory authority.
 - (iii) pursuant to an undertaking to the regulator or securities regulatory authority.
 - (f) during the preceding 12 months, none of the following applied:
 - (i) the issuer was the subject of a penalty or sanction, including a restriction on the use by the issuer of any type of prospectus, or exemption, imposed by a court relating to securities legislation or by a regulator or securities regulatory authority, other than an administrative monetary penalty for late filings.
 - (ii) the issuer was the subject of a cease trade order or order similar to a cease trade order in a jurisdiction of Canada that was not revoked within 30 days of its issuance.
 - (iii) the issuer stopped relying on the Quarterly Reporting Exemption.
 - (g) the issuer issued and filed a news release that

- (i) states “This news release is being filed pursuant to CSA Coordinated Blanket Order 51-933 *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers.*”
- (ii) specifies the initial interim period for which the issuer does not intend to file an interim financial report and related MD&A in reliance on the Quarterly Reporting Exemption.

Interim Financial Report

- 6. A reporting issuer relying on the Quarterly Reporting Exemption is exempt from the requirement under paragraph 4.3(2)(c) of NI 51-102 to provide a statement of comprehensive income for the three-month period ending on the last day of the interim period and comparative financial information for the corresponding period in the immediately preceding financial year.

Delivery of Interim Financial Report and Interim MD&A

- 7. A reporting issuer relying on the Quarterly Reporting Exemption is exempt from the requirements under subsections 4.6(3) and 5.6(1) of NI 51-102 to send a copy of the issuer’s interim financial report and interim MD&A for the relevant interim periods.

MD&A Form Requirements

- 8. A reporting issuer relying on the Quarterly Reporting Exemption is exempt from all of the following:
 - (a) the requirement under item 1.5 of Form 51-102F1 to provide information for each of the eight most recently completed quarters.
 - (b) the requirement under item 1.10 of Form 51-102F1 to provide in its annual MD&A a discussion and analysis of fourth quarter events or items that affected its financial condition, financial performance or cash flows, year-end and other adjustments, seasonal aspects of the issuer’s business and dispositions of business segments.
 - (c) the requirement under item 2.2(a)(i) of Form 51-102F1 to provide in its interim MD&A a discussion of its analysis of current quarter results including a comparison of financial performance to the corresponding period in the previous year.
- 9. A reporting issuer relying on the Quarterly Reporting Exemption may satisfy the instruction under item 2.2.1(iv) of Form 51-102F1, by titling its six-month interim period highlights “Interim MD&A – Semi-Annual Highlights”.

Additional Restrictions

- 10. A reporting issuer must cease relying on the Quarterly Reporting Exemption if either of the following apply:
 - (a) the issuer changes its financial year end.

- (b) the issuer files a base shelf prospectus.
11. A reporting issuer that is relying on the Quarterly Reporting Exemption must not file a shelf prospectus supplement or distribute securities under an existing shelf prospectus supplement.
12. The exemptions in this Order do not apply to the disclosure requirements in respect of interim financial reports and related MD&A, pursuant to any of the following:
- (a) item 11.1 of Form 44-101F1 *Short Form Prospectus*
 - (b) item 14.2 of Form 51-102F5 *Information Circular*
 - (c) item 19 of Form 62-104F1 *Take-Over Bid Circular*
 - (d) item 21 of Form 62-104F2 *Issuer Bid Circular*
13. A reporting issuer that has filed a short form prospectus must not rely on the exemptions in this Order during the period of distribution.

Effective Date

This Order comes into effect on March 19, 2026.

For the Commission:

“Original Signed By”

To-Linh Huynh
Executive Director of Securities

ANNEX C

Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary

Eligibility Criteria

Key Element	Commentary
<p>The issuer is, and has been, a reporting issuer in at least one jurisdiction of Canada for at least 12 months</p> <p><i>See preamble in section 5 and subsection 5(a) of the Blanket Order</i></p>	<p>The intent of this condition is to address concerns related to less frequent reporting in circumstances where an issuer has recently become a reporting issuer and has not demonstrated a history of compliant continuous disclosure. Accordingly, we have included a condition to limit eligibility to issuers who have been reporting issuers in at least one jurisdiction of Canada for at least 12 months.</p> <p>For the purposes of the SAR Pilot, successor or resulting issuers are not entitled to rely on the continuous disclosure record of any predecessor reporting issuer for the purposes of satisfying the requirement to have been a reporting issuer in at least one jurisdiction of Canada for at least 12 months. If an issuer has been relying on the exemptions in the Blanket Order and is contemplating a restructuring transaction, that issuer is encouraged to contact their principal regulator to discuss staff's expectations.</p>
<p>The issuer has securities listed on a Canadian venture exchange</p> <p><i>See subsections 5(b) and (c) of the Blanket Order</i></p>	<p>The intent of this condition is to limit eligibility for the purposes of the SAR Pilot solely to venture issuers with listed securities on the TSXV or CSE that are subject to venture exchange listing requirements.</p>
<p>The issuer has revenue, as shown on the issuer's most recently filed audited annual financial statements, of no more than C\$10 million</p> <p><i>See subsection 5(d) of the Blanket Order</i></p>	<p>The intent of this condition is to limit eligibility to certain smaller venture issuers.</p>

Key Element	Commentary
<p>The issuer has filed all periodic and timely disclosure documents that it is required to have filed</p> <p><i>See subsection 5(e) of the Blanket Order</i></p>	<p>The intent of this condition is to address concerns related to issuers who are non-compliant with existing requirements in respect of periodic and timely reporting requirements from participating in the SAR Pilot.</p> <p>Reporting issuers relying on the exemptions in the Blanket Order, must comply with the requirements and are reminded of the accompanying guidance relating to material change reporting and timely disclosure under securities laws and venture exchange rules, including:</p> <ul style="list-style-type: none"> • Part 7 of National Instrument 51-102 <i>Continuous Disclosure Obligations</i> and the associated companion policy; • Part 2 of National Policy 51-201 <i>Disclosure Standards</i>; • CSE Policy 5 <i>Timely Disclosure, Trading Halts, and Posting</i>; • TSXV Policy 3.3 <i>Timely Disclosure</i>.
<p>The issuer cannot have been, in the 12 months prior to the issuer relying on the exemptions in the Blanket Order, the subject of any</p> <ul style="list-style-type: none"> • penalties or sanctions, including restrictions on the use by the issuer of any type of prospectus, or exemption, imposed by a court relating to securities legislation or by a securities regulatory authority • cease trade order in any jurisdiction of Canada that was not revoked within 30 days of its issuance <p><i>See paragraphs 5(f)(i) and (ii) of the Blanket Order</i></p>	<p>The intent of this condition is to limit eligibility to issuers that are in good standing. We have concerns related to less frequent reporting in circumstances where an issuer has recently been the subject of any penalties, sanctions or cease trade order.</p> <p>We note that, for the purposes of this condition, a late filing fee (or administrative monetary penalty for late filings) is not a “penalty or sanction”.</p>

Requirements From Which an Eligible Issuer is Exempt

Key Element	Commentary
<p>An eligible issuer is exempt from the requirement to file an interim financial report for each of the three and nine-month interim periods of its financial year</p> <p><i>See section 5 of the Blanket Order</i></p> <p><i>See also:</i></p> <ul style="list-style-type: none"> • <i>Subsection 4.3(1) of NI 51-102</i> • <i>Paragraph 4.2(b)(i) of NI 51-102</i> • <i>Subsection 5.1(1) of NI 51-102</i> • <i>Subsection 5.1(2) of NI 51-102</i> • <i>Subsection 5.1(2) of NI 52-109</i> 	<p><i>Three and Nine-Month Interim Period</i></p> <p>The Blanket Order provides an exemption from the requirement in NI 51-102 to file an interim financial report for each of the three and nine-month periods, subject to certain terms and conditions.</p> <p>Issuers relying on the exemptions in respect of filing interim financial reports for the three and nine-month periods are not required to file MD&As in respect of such interim periods. The Blanket Order does not include a specific exemption from the MD&A requirements for the three and nine-month interim periods as there is no trigger for an issuer to file an MD&A for any interim period for which it did not file an interim financial report.</p> <p>The Blanket Order does not include a specific exemption from the interim certificate requirements for the three and nine-month interim periods as there is no trigger for an issuer to file an interim certificate for any interim period for which it did not file an interim financial report.</p> <p><i>Six-Month Interim Period</i></p> <p>Issuers must comply with the filing deadline in NI 51-102 when filing an interim financial report and related MD&A for the six-month interim period and certification of the foregoing filings as required by National Instrument 52-109 <i>Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109)</i>.</p>
<p>An eligible issuer is exempt from including, in the interim financial report for the six-month interim period, a statement of comprehensive income for the current quarter to date and comparative financial information for the corresponding three-month period in the immediately preceding financial year</p>	<p>The Blanket Order provides an exemption to issuers from including certain disclosures in the interim financial report for the six-month interim period.</p> <p>For example, an issuer with a December 31 year end will only be required to include in its interim financial report for the six-month interim period, a statement of comprehensive income for the six-months ended June 30 and comparative financial information for the corresponding period in the immediately preceding financial year (i.e. a statement of comprehensive income for the three-months ended June 30 and comparative financial information for the</p>

Key Element	Commentary
<p><i>See section 6 of the Blanket Order</i></p> <p><i>See also:</i></p> <p><i>Paragraph 4.3(2)(c) of NI 51-102</i></p>	<p>corresponding three-month period in the immediately preceding financial year will not be required).</p>
<p>An eligible issuer is exempt from the requirement to deliver interim financial reports and MD&As for each of the three and nine-month interim periods of its financial year</p> <p><i>See section 7 of the Blanket Order</i></p> <p><i>See also:</i></p> <ul style="list-style-type: none"> • <i>Subsection 4.6(3) of NI 51-102</i> • <i>Subsection 5.6(1) of NI 51-102</i> 	<p>The Blanket Order provides an exemption to issuers from the requirement to deliver an interim financial report and related MD&A where such documents are not required to be filed.</p>
<p>An eligible issuer is exempt from certain MD&A form requirements</p> <p><i>See sections 8 and 9 of the Blanket Order</i></p> <p><i>See also:</i></p> <ul style="list-style-type: none"> • <i>Item 1.5 of Form 51-102F1</i> • <i>Item 1.10 of Form 51-102F1</i> • <i>Item 2.2(a)(i) of Form 51-102F1</i> 	<p><i>Item 1.5 and Item 1.10</i></p> <p>We are of the view that it is appropriate to exempt issuers participating in the SAR Pilot from these requirements in their entirety to further reduce burden for such issuers.</p> <p>Therefore, an issuer that opts into the SAR Pilot will not be required to provide (i) a summary of quarterly results, and related discussion, for each of the eight most recently completed quarters and (ii) a discussion and analysis of events or items in the fourth quarter.</p> <p><i>Item 2.2(a)(i)</i></p> <p>This exemption is applicable to the MD&A for the six-month interim period.</p> <p>For example, an issuer with a December 31 year end will only be required to include in its MD&A for the six-month interim period, a discussion of its analysis of year-to-date results</p>

Key Element	Commentary
	<p>including a comparison of financial performance to the corresponding period in the previous year for the six-months ended June 30.</p> <p>Therefore, an issuer that opts into the SAR Pilot will not be required to include in its interim MD&A a discussion of its analysis of current quarter results including a comparison of financial performance to the corresponding period in the previous year for the three-months ended June 30.</p>

Additional Conditions and Restrictions

Key Element	Commentary
<p>An issuer cannot rely on the exemptions in the Blanket Order if in the last 12 months it had stopped relying on the exemptions in the Blanket Order</p> <p><i>See paragraph 5(f)(iii) of the Blanket Order</i></p>	<p>The intent of this condition is to prohibit issuers from opting in and out of the SAR Pilot. We think it would create confusion in the market, especially for investors, if an issuer frequently changes the cadence of when it reports interim financial results.</p> <p>Issuers are not considered to have stopped relying on the exemptions in the Blanket Order for the purposes of paragraph 5(f)(iii) if, in connection with a prospectus offering or other transaction (i.e. circular), they prepare and file interim financial disclosure as required under NI 51-102.</p>
<p>An issuer must file a news release announcing its intention to rely on the exemptions in the Blanket Order</p> <p><i>See subsection 5(g) of the Blanket Order</i></p>	<p>An issuer intending to rely on the Blanket Order must file a news release with the information specified in the Blanket Order. The news release will provide transparency to the market about the issuer's future filings and allows investors and intermediaries to set their expectations for the timing of future interim financial reporting. As a result, an issuer should consider filing the news release as early as possible indicating that it does not intend to file an interim financial report and related MD&A.</p> <p>In addition, issuers relying on the exemptions in the Blanket Order should consider prominently disclosing their reliance on the exemptions in their ongoing continuous disclosure, for example in their MD&A.</p>

Key Element	Commentary
<p>An issuer must cease relying on the exemptions in the Blanket Order if it has changed its financial year-end</p> <p><i>See subsection 10(a) of the Blanket Order</i></p>	<p>Changes in financial year-end while relying on the Blanket Order may result in significant periods with no financial disclosure.</p> <p>We note that where an issuer relying on the exemptions in the Blanket Order changes its financial year-end for any reason, including a restructuring transaction, this may create unique circumstances impacting their transition year and interim period under the SAR Pilot. If an issuer has been relying on the exemptions in the Blanket Order and intends to change its financial year-end, such issuer is encouraged to contact their principal regulator to discuss staff's expectations.</p>
<p>An issuer must cease relying on the exemptions in the Blanket Order if it has filed a base shelf prospectus</p> <p><i>See subsection 10(b) of the Blanket Order</i></p> <p>An issuer relying on the exemptions in the Blanket Order must not file a shelf prospectus supplement under a base shelf prospectus that was filed prior to its adoption of the SAR Pilot</p> <p>An issuer relying on the exemptions in the Blanket Order must not distribute securities under an existing shelf prospectus supplement</p> <p><i>See section 11 of the Blanket Order</i></p>	<p>As outlined above, the SAR Pilot does not alter the disclosure required in the context of a prospectus offering. Accordingly, the SAR Pilot is not compatible with continuous distributions under shelf prospectuses.</p> <p>A shelf prospectus supplement can be filed at any time over the life of a base shelf prospectus. Base shelf prospectuses are also used by issuers to, among other things, conduct continuous offerings (e.g., at-the-market distributions). The SAR Pilot is not compatible with the filing of shelf prospectus supplements.</p>
<p>The exemptions in the Blanket Order do not apply in respect of financial disclosure required in a short form prospectus, an information circular, take-over bid circular or an issuer bid circular</p>	<p>The SAR Pilot is intended to be a pilot project to reduce burden in respect of continuous disclosure requirements. The SAR Pilot does not alter prospectus or prospectus-level disclosure required in the context of a prospectus offering or a circular.</p>

Key Element	Commentary
<p><i>See section 12 of the Blanket Order</i></p>	<p>The conditions of the Blanket Order require an issuer that files a short form prospectus, information circular, take-over bid circular or issuer bid circular to include the most recent interim financial disclosure in the form required by NI 51-102.</p> <p><i>Prospectus</i></p> <p>While an issuer is in a period of distribution under a short form prospectus and interim financial disclosure becomes due, the issuer cannot rely on the exemptions of the Blanket Order. Such issuers must file the interim financial report and related MD&A in accordance with NI 51-102 which would then be deemed to be incorporated by reference in the short form prospectus. Issuers that file such interim financial disclosure are not considered to have stopped relying on the exemptions in the Blanket Order for the purposes of paragraph 5(f)(iii) of the Blanket Order. Once an issuer has completed a prospectus offering, it may continue to rely on the exemptions in the Blanket Order if, following the closing of the distribution, it continues to meet the eligibility requirements.</p> <p>We believe this approach will maintain the integrity of the short form prospectus disclosure system, facilitate comparisons between similar issuers and provides SAR participating issuers with flexibility to raise capital and conduct business operations.</p> <p><i>Circular</i></p> <p>Pursuant to section 12 of the Blanket Order, the exemptions in the Blanket Order do not apply to documents related to restructuring transactions (as defined in NI 51-102), including reverse takeovers.</p> <p>Any circular required in connection with a restructuring transaction must include the most recent interim financial report and related MD&A required to be filed pursuant to NI 51-102. Any interim financial disclosure filed as part of a circular would not be required to be filed separately as a continuous disclosure document on SEDAR+. Issuers that prepare and file such interim financial disclosure are not considered to have stopped relying on the exemptions in the Blanket Order for the purposes of paragraph 5(f)(iii) of the Blanket Order and may continue to rely on the exemptions in the Blanket Order upon closing of the transaction, if, following the closing of the transaction such issuer continues to meet the eligibility criteria in the Blanket Order.</p>

Key Element	Commentary
	<p>A successor issuer resulting from a restructuring transaction may not rely on the continuous disclosure record of the predecessor issuer for the determination of the 12-month reporting issuer history requirement under subsection 5(a) of the Blanket Order.</p> <p>Issuers planning to file a short form prospectus or a circular while relying on the Blanket Order are encouraged to contact their principal regulator to discuss staff's expectations for financial disclosure.</p>
<p>An issuer that has filed a short form prospectus must not rely on the exemptions in the Blanket Order during the period of distribution</p> <p><i>See section 13 of the Blanket Order</i></p>	<p>As outlined above, the SAR Pilot does not alter the disclosure required in the context of a prospectus offering.</p> <p>Accordingly, if an issuer has filed a short form prospectus and has not closed its offering by the filing deadline for a subsequent interim period, the issuer must prepare, and file interim financial disclosure as required under NI 51-102. Such interim financial disclosure would be deemed incorporated by reference into the issuer's prospectus by virtue of the language required to be included in a short form prospectus under item 11.2 of Form 44-101F1 <i>Short Form Prospectus</i>.</p>

Additional Guidance for Issuers that Cease Relying on the Quarterly Reporting Exemption

Key Element	Commentary
<p>Comparative Financial Information</p>	<p>Issuers that cease relying on the Quarterly Reporting Exemption are required to comply with all quarterly financial reporting requirements including comparative financial information for the corresponding period in the immediately preceding financial year as required by NI 51-102.</p>
<p>Disclosure when Ceasing to Rely on the Quarterly Reporting Exemption in the Blanket Order</p>	<p>In circumstances where an issuer determines it cannot or will not continue relying on the Quarterly Reporting Exemption, it should consider issuing and filing a news release on SEDAR+ informing investors and intermediaries that it will cease relying on the Quarterly Reporting Exemption in the</p>



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	Blanket Order and indicate the timing for the next expected interim period for which interim financial reports and related MD&As will be filed.
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