DuMOULIN BLACK LLP
BARRISTERS & SOLICITORS

10th Floor 595 Howe Street
Vancouver BC Canada V6C 2T5
www.dumoulinblack.com

Telephone No. (604) 687-1224
Facsimile No. (604) 687-3635
Direct Line (604) 602 6820
Email [redacted]

File No. 461202

VIA EMAIL TO RULE-COMMENTS@SEC.GOV

April 1, 2014

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549
USA

Dear Sirs/Mesdames:

Re: Proposed Rule Amendments for Small and Additional Issues Exemptions Under Section 3(b) of the Securities Act (the "Proposed Rules")
File Number S7-11-13

We are a firm of corporate and securities lawyers in Vancouver, Canada. We write in support of the Proposed Rules, and we provide comments on one of the questions therein from the viewpoint of Canadian public companies. We also provide two further suggestions that would make the Proposed Rules more attractive to Canadian public companies while maintaining a high level of investor protection.

I. Background and General Comments on the Proposed Rules

Most of our clients are reporting issuers in Canada and are listed on either the Toronto Stock Exchange or the TSX Venture Exchange. Many are engaged in natural resource exploration and extraction. The United States is an important and often critical source of capital for our clients and many other companies like them. In recent years, however, very few have conducted a public offering in the United States.

The Proposed Rules would be available to several of our clients whose securities are not currently registered in the U.S. and whose principal place of business is in the U.S. or Canada. Many of them have conducted private placements into the U.S. concurrently with recent Canadian public offerings. Accordingly, they have only been able to access capital from accredited investors or qualified institutional buyers, which has resulted in a smaller pool from which to draw.

We believe that several of our clients would be interested in conducting public offerings in the U.S. under Tier 2 of the Proposed Rules, given the lower transactional and reporting costs as compared with the full public offering and disclosure regime for registered companies. Further, we believe that the "testing the waters" provisions will mean that public offerings commenced under the Proposed Rules by Canadian companies would be more likely to be completed than under the existing rules.

We also believe that our client base is representative of small to medium-sized reporting issuers in Canada, and as such there would be broad interest in the Proposed Rules from listed Canadian companies.

II. Comments on Preemption of State Securities Laws

We provide comment on question 114 in the Proposed Rules:

> "Should we preempt state securities law registration and qualification requirements for certain Regulation A offerings by adopting a definition of "qualified purchaser," as proposed? Why or why not? Please explain. In responding to this question and the questions below, please address both the practical implications of preemption for capital formation and the impact on investor protection."

We believe that preemption of state securities laws is crucial in order to entice Canadian companies to conduct offerings under Tier 2 of the Proposed Rules. The practical implication of preemption, we believe, is that Canadian companies would consider conducting a public offering under the Tier 2. Conversely, we believe that not preempting state review would result in very few if any Canadian companies conducting offerings under the Proposed Rules. In particular, the prospect of review by states with a merit based review process would deter many Canadian companies.

A Canadian issuer conducting a public offering under Tier 2 would very likely do so in conjunction with a public offering in Canada. As such, any state review would be a third level of review (in addition to the SEC and the applicable Canadian provincial regulator). The associated potential delay and compliance costs would result in many Canadian companies viewing a public offering under the Proposed Rules as a non-starter.

We believe that including a state review process would not contribute to investor protection in any meaningful way. Given the resources and experience of the SEC in reviewing public offerings, it appears that the utility of not preempting state review is low, particularly in light of the negative impact that state review would have on Canadian issuers considering a public offering under the Proposed Rules.

III. Comments Regarding Tier 2 Reporting Obligations Under the Proposed Rules

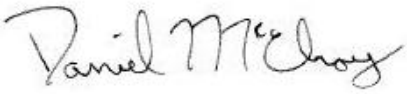
We suggest that the continuous reporting obligations under the Proposed Rules for Tier 2 companies could be simplified further for Canadian public companies without compromising investor protection. Several of our clients that are listed on a Canadian exchange use the Exchange Act Rule 12g3-2(b) exemption and are quoted on OTCQX. We believe that this regime provides U.S. residents with full disclosure about such companies' business, and also the protection stemming from secondary market liability in Canada. If the 12g3-2(b) exemption were available under the Proposed Rules, we believe that it would increase the likelihood of Canadian public companies conducting public offerings under the Proposed Rules.

As an alternative to the 12g3-2(b) exemption, we propose that Canadian public companies be permitted to furnish reports to the SEC under cover of Form 6-K, rather than being obliged to file Regulation A semi-annual and current reports provided under the Proposed Rules. We acknowledge that the continuous reporting regime under the Proposed Rules is less onerous than the full SEC reporting regime. Since many Canadian companies will have familiarity with the 6-K regime, however, we expect that the ability to use this reporting practice would provide greater comfort to Canadian public companies considering a public offering under the Proposed Rules, thereby increasing the likelihood of utilizing the Proposed Rules.

In conclusion, we believe that the Proposed Rules will result in increased interest in public offerings in the U.S. by Canadian companies. In particular, Tier 2 of the Proposed Rules would be of interest to small to medium-sized listed issuers who are looking to raise capital and to increase their exposure in the U.S. We believe that preemption of state securities laws is critical to generating interest from Canadian companies, and that allowing such companies to continue to make use of existing or familiar reporting practices would stimulate further interest.

Yours truly,

DuMOULIN BLACK LLP

Per: 

Daniel G. McElroy