

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 87492 / November 7, 2019

Admin. Proc. File No. 3-18017

In the Matter of  
  
CAN-CAL RESOURCES, LTD.,  
CHINA FRUITS CORP., and  
SKYSTAR BIO-PHARMACEUTICAL CO.

ORDER IN RESPONSE TO REQUEST TO SUPPLEMENT THE RECORD

On June 8, 2017, the Securities and Exchange Commission instituted proceedings pursuant to Section 12(j) of the Securities Exchange Act of 1934 against Can-Cal Resources, Ltd., to determine, among other things, whether the registration under Exchange Act Section 12 of its registered securities should be suspended or revoked for failure to file required periodic reports.<sup>1</sup> On April 5, 2019, the Division of Enforcement filed a motion to dismiss the proceedings against Can-Cal, which asserted, among other things, that Can-Cal had become current on the filings alleged to have been delinquent in the order instituting proceedings.

On September 17, 2019, the Commission issued an order noting that Can-Cal had not made any periodic filings since the Division had filed the motion to dismiss and that Can-Cal had recently filed a Form 8-K stating that it lacked the resources to bring its periodic filings current.<sup>2</sup> The Commission directed the Division to file a supplemental brief “addressing what effect” these events had on its motion to dismiss.<sup>3</sup> The order also permitted Can-Cal to file a supplemental brief.<sup>4</sup>

On October 1, 2019, the Division filed a response to the September 17 order. In its filing, the Division stated that “[g]iven the fact that Can-Cal has now missed three periodic filings since the Division filed its Motion, and has filed an 8-K stating that it no longer has the financial wherewithal to comply with its reporting obligations, the Division hereby withdraws its Motion

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<sup>1</sup> *Can-Cal Resources, Ltd.*, Exchange Act Release No. 80892, 2017 WL 2496530, at \*1 (June 8, 2017).

<sup>2</sup> *Can-Cal Resources, Ltd.*, Exchange Act Release No. 86989, 2019 WL 4447518, at \*1 (Sept. 17, 2019) (the “Order”).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

for Dismissal. . . .” The Division also moved the administrative law judge assigned to this proceeding “for an order of revocation as to Can-Cal.”<sup>5</sup>

Also on October 1, 2019, Can-Cal filed a supplemental brief, which attached a supporting declaration and exhibit. In its brief, Can-Cal asserted that it had secured additional funding and was “optimistic that it will be able to bring its 2018 and 2019 SEC filings current in the near future.”

On October 17, 2019, the administrative law judge presiding over this proceeding issued a notice stating that “[b]ecause it is unclear how the Commission would view the current posture of this proceeding, the appropriate course is to await further action of the Commission.”<sup>6</sup>

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We have received and reviewed the parties’ submissions in response to the Order. We recognize that the Division’s response withdraws its motion to dismiss.<sup>7</sup> We construe Can-Cal’s brief as a request to supplement the record before the Commission pursuant to Rule of Practice 452.<sup>8</sup> But because the Division has withdrawn its motion to dismiss, and the proceeding was previously designated for resolution by an administrative law judge, there is no matter pending before the Commission for decision.<sup>9</sup> Accordingly, we decline to act on the Rule 452 motion.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Vanessa A. Countryman  
Secretary

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<sup>5</sup> Specifically, the Division requested that the administrative law judge set aside his early denial of its motion for summary disposition against Can-Cal. *See Can-Cal Resources, Ltd.*, Administrative Proceedings Release No. 6525, 2019 WL 2296498, at \*1 (Mar. 28, 2019) (Order Denying the Division of Enforcement’s Motion for Summary Disposition). The Division also requested that the administrative law judge enter an initial decision revoking the registration of each class of Can-Cal’s securities registered pursuant to Exchange Act Section 12(g).

<sup>6</sup> *Can-Cal Resources Ltd.*, Administrative Proceedings Rulings Release No. 6697 (Oct. 17, 2019), available at <https://www.sec.gov/alj/aljorders/2019/ap-6697.pdf>.

<sup>7</sup> *Cf. Can-Cal Resources, Ltd.*, Administrative Proceedings Rulings Release No. 6573 (May 14, 2019), available at <https://www.sec.gov/alj/aljorders/2019/ap-6573.pdf> (containing administrative law judge’s determination that “[w]hile that motion [to dismiss] is pending, no further action is required” before the law judge).

<sup>8</sup> 17 C.F.R. § 201.452.

<sup>9</sup> *Can-Cal Resources, Ltd.*, 2017 WL 2496530, at \*2; *In re: Pending Administrative Proceedings*, Exchange Act Release No. 4993, 2018 WL 4003609, at \*1 (Aug. 22, 2018).