

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Administrative Proceedings Rulings  
Release No. 5703 / April 26, 2018

Administrative Proceeding  
File No. 3-18017

In the Matter of

**Can-Cal Resources Ltd.,  
China Fruits Corp., and  
Skystar Bio-Pharmaceutical Co.**

**Order For Prehearing  
Conference**

The Securities and Exchange Commission instituted this proceeding on June 8, 2017, pursuant to Section 12(j) of the Securities Exchange Act of 1934. The only remaining respondent is Can-Cal Resources Ltd.<sup>1</sup> The Division of Enforcement filed a motion for summary disposition as to Can-Cal on November 3, 2017. In preparing an initial decision, I found on EDGAR that Can-Cal filed an annual report on Form 10-K for fiscal year 2017 on April 11, 2018, and a comprehensive annual report for fiscal years 2015 and 2016 on March 12, 2018. The comprehensive report also purports to include the information and unaudited financials that would have been filed with its delinquent quarterly reports. Can-Cal Res. Ltd., Comprehensive Annual Report, at “Explanatory Note” (Form 10-K) (Mar. 12, 2018). The most recent 10-K references the shareholder derivative law suit instituted in Nevada State Court and states that Can-Cal “as one of several Defendants in Derivative Lawsuit reached ‘Settlement in Principle’ mid-November 2017. As of January 8, 2018, all Parties are progressing toward a more detailed Definitive Agreement.” Can-Cal Res. Ltd., Annual Report 17 (Form 10-K) (Apr. 11, 2018).

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<sup>1</sup> I issued an initial decision on default as to China Fruits Corp. and SkyStar Bio-Pharmaceutical Co. that revoked the registrations of their registered securities. *Can-Cal Res. Ltd.*, Initial Decision Release No. 1178, 2017 SEC LEXIS 2898 (Sept. 19, 2017).

## Order

I order a telephonic prehearing conference at 2:00 p.m. on Monday, May 7, 2018, at which I would like the Division to tell me its position on the OIP's allegations as to Can-Cal given the company's recent filings. I note the Division's reference to *Absolute Potential, Inc.*, Exchange Act Release No. 71866, 2014 SEC LEXIS 1193 (Apr. 4, 2014), at the prehearing conference on October 2, 2017. Preh'rg Tr. 11. Counsel for the shareholders may participate in the conference if they wish.

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Brenda P. Murray  
Chief Administrative Law Judge