

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

Administrative Proceedings Rulings
Release No. 6697 / October 17, 2019

Administrative Proceeding
File No. 3-18017

In the Matter of

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

**Notice Regarding
the Division of Enforcement's
Withdrawal of its Motion to
Dismiss**

After this proceeding was reassigned to me, I issued an order denying the Division of Enforcement's motion for summary disposition as to Can-Cal Resources Ltd., the only respondent remaining in this proceeding.¹ I also directed the parties to confer and file a proposal for the further conduct of this proceeding.²

The parties did not file a proposal. Instead, the Division moved the Securities and Exchange Commission to dismiss this proceeding.³ I then issued a notice stating that while the Division's motion was pending, "no further action" would be necessary.⁴

In September 2019, the Commission issued an order requiring the Division to "file a supplemental brief by October 1, 2019, addressing what

¹ *Can-Cal Res. Ltd.*, Admin. Proc. Rulings Release No. 6525, 2019 WL 2296498 (ALJ Mar. 28, 2019).

² *Id.* at *5.

³ *Can-Cal*, Securities Exchange Act of 1934 Release No. 86989, 2019 WL 4447518, at *1 (Sept. 17, 2019).

⁴ *Can-Cal*, Admin. Proc. Rulings Release No. 6573, 2019 SEC LEXIS 1120 (ALJ May 14, 2019).

effect, if any, [certain] events” discussed in the order “have on the [Division’s] motion.”⁵

In response to the Commission’s order, the Division submitted a filing styled as its “notice of withdrawal of motion to dismiss and reinstatement of motion for summary disposition.” In this filing, the Division gave notice that it was withdrawing its motion to dismiss.⁶ It also asked that I “set aside” the denial of its motion for summary disposition and issue an initial decision revoking the registration of Can-Cal’s securities.⁷

For its part, Can-Cal also responded to the Commission’s order and asked that the Division’s motion to dismiss be granted, stating that it had retained an auditor and was “optimistic that it will be able to bring its 2018 and 2019 SEC filings current in the near future.”⁸

I decline the Division’s invitation to take action in this case before the Commission has had the opportunity to consider the Division’s notice and decide whether the Division has complied with the Commission’s September 2019 order. Because 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.

James E. Grimes
Administrative Law Judge

⁵ *Can-Cal*, 2019 WL 4447518, at *1.

⁶ Notice at 1–2.

⁷ *Id.* at 1–2.

⁸ *Can-Cal Supp. Br.* at 2.