

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 9700 / January 15, 2015**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 74066 / January 15, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16340**

**In the Matter of**

**STUART CARNIE,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTION 8A OF THE  
SECURITIES ACT OF 1933 AND SECTION  
15(b) OF THE SECURITIES EXCHANGE  
ACT OF 1934, MAKING FINDINGS, AND  
IMPOSING REMEDIAL SANCTIONS AND A  
CEASE-AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Stuart Carnie (“Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933 and Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds<sup>1</sup> that:

#### Summary

1. Respondent made false and misleading statements in registration statements filed with the Commission by three issuers, Goldstream Mining Inc., Gaspard Mining Inc., and Coronation Mining Corp. (collectively, the "Issuers"). According to the registration statements, Respondent was the sole executive officer and director of the Issuers, who were exploration stage mining companies that had not begun any mining activity and had no revenue. Each registration statement stated that Respondent (1) solely controlled and governed the issuer, (2) purchased issuer stock for \$30,000, (3) that the issuer owned certain British Columbia mineral claims, and (4) was not a "blank check" company. These statements were false or misleading, and Respondent was reckless in not knowing that the statements were false or misleading when he signed the registration statements.

2. Accordingly, Respondent willfully violated Section 17(a)(1) of the Securities Act.

#### Respondent

3. **Stuart Carnie**, 45, of Ocala, Florida, was the sole chief executive officer and director of the Issuers. Respondent participated in offerings of the Issuers' securities, which were penny stocks.

#### Relevant Individual and Entities

4. **Goldstream Mining Inc. ("Goldstream")** is a Nevada corporation headquartered in Ocala, Florida. On August 6, 2012, Goldstream filed a Form S-1 registration statement with the Commission seeking to register management's common shares for resale in a \$15,000 public offering. Goldstream filed amendments to its registration statement on September 24, 2012 and October 17, 2012. In an Initial Decision dated March 20, 2014, the Commission issued a stop order suspending the effectiveness of this registration statement. The stop order became final on May 2, 2014.

5. **Gaspard Mining Inc. ("Gaspard")** is a Nevada corporation headquartered in Ocala, Florida. On January 25, 2013, Gaspard filed a Form S-1 registration statement with the Commission seeking to register management's common shares for resale in a \$20,000 public offering. On March 20, 2014, in an initial decision the Commission issued a stop order suspending the effectiveness of this registration statement. The stop order became final on May 2, 2014.

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<sup>1</sup> The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

6. **Coronation Mining Corp. (“Coronation”)** is a Nevada corporation headquartered in Ocala, Florida. On January 25, 2013, Coronation filed a Form S-1 registration statement with the Commission seeking to register management’s common shares for resale in a \$30,000 public offering. In an Initial Decision dated March 20, 2014, the Commission issued a stop order suspending the effectiveness of this registration statement. The stop order became final on May 2, 2014.

7. **Jervis Explorations Inc. (“Jervis”)** is a British Columbia corporation whose sole director is John Briner. Jervis purportedly sold certain British Columbia mineral claims to each of the Issuers.

8. **John Briner (“Briner”)**, 35, is an attorney residing in Vancouver, British Columbia, Canada. Briner was the subject of a prior Commission action alleging a pump-and-dump and market manipulation scheme. That action resulted in, among other things, Briner being enjoined from violating the antifraud provisions of the securities law and suspended from appearing before the Commission for five years. SEC v. Golden Apple Oil and Gas, Inc., et al., 09-Civ-7580 (S.D.N.Y) (HB); In the Matter of John Briner, Exchange Act Release No. 63371 (Nov. 24, 2010).

### **Background**

9. In 2011, Respondent was recruited by Briner to serve as the sole executive officer and director for the Issuers. The Issuers each purported to be exploration stage mining companies that have not begun any mining activity and have no revenue. Each purported to have been capitalized by Respondent’s purchase of Issuer stock for \$30,000. Each claimed to have purchased certain British Columbia mineral claims from Jervis.

10. After Respondent agreed to serve as the sole executive officer and director for the Issuers, he was paid \$6,000 for such service, or \$2,000 for each Issuer. Respondent was promised an additional \$8,000 per Issuer when the Issuer obtained a trading symbol.

11. Despite serving as the sole executive officer and director for the Issuers, Respondent did not make any material decisions for the Issuers or have control over the Issuers’ funds. All material decisions were made by Briner and Briner had custody and control of the Issuers’ funds.

12. Respondent’s responsibilities were limited to signing documents in connection with the filing of the Registration Statements. Further, none of the Issuers maintained a bank account. Each of the Issuers’ purported funds were held in a commingled account controlled by Briner, and Respondent did not have access to this account.

13. In July 2012 and January 2013, Respondent signed the Registration Statements, which stated that they were for the registration and sale of Respondent’s stock. Respondent was reckless in not knowing that the Registration Statements contained the following false or misleading statements and omissions.

14. First, the Registration Statements stated that management for each Issuer consisted of Respondent who “control[led]” and “solely govern[ed]” the Issuer. Each of the Registration Statements also stated that other than management agreements between the Issuers and Respondent, “there [we]re no, and have not been since inception, any other material agreements or proposed transactions, whether direct or indirect, with . . . any promoters.” As discussed herein, Respondent did not control the Issuers, and the Registration Statements failed to disclose Briner’s role as a control person of the Issuers.

15. Second, the Registration Statements stated that Respondent capitalized the Issuers via a purchase of Issuer stock (the stock the Issuers sought to register with the Registration Statements) for \$30,000 in cash. Respondent, however, did not provide his own funds to any Issuer or obtain a loan for the purchase. Instead, the funds used to purportedly capitalize the Issuers came from an undisclosed third party.

16. Third, the Registration Statements stated that the Issuers purchased their mineral claims from Jervis and that the Issuers “own[] 100% of the rights to the property.” In fact, the rights to the mineral claims were never transferred from Jervis to the Issuers.

17. Finally, the Registration Statement stated that the Issuers “are not a ‘blank check company,’ as [they] do not intend to participate in a reverse acquisition or merger transaction.” The Issuers were in fact “blank check” companies as they intended to participate in reverse acquisitions or merger transactions.

18. As a result of the conduct described above, Respondent willfully violated Section 17(a)(1) of the Securities Act.

#### IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest, and for the protection of investors to impose the sanctions agreed to in Respondent’s Offer.

Accordingly, pursuant to Section 8A of the Securities Act and Section 15(b) of the Exchange Act, it is hereby ORDERED that:

A. Respondent cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act.

B. Respondent be, and hereby is:

- (1) prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to section 12 of the Exchange Act, or that is required to file reports pursuant to 15(d) of that Act; and
- (2) barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or

trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

with the right to apply for reentry after five (5) years to the appropriate self-regulatory organization, or if there is none, to the Commission.

C. Respondent shall pay disgorgement of \$6,000.00 and prejudgment interest of \$337.85, which represents profits gained as a result of the conduct described herein, and civil penalties of \$12,000.00, to the Securities and Exchange Commission for a total of \$18,337.85. Payment shall be made in the following installments: (1) \$2,000.00, within 10 days of the entry of this Order, (2) \$4,000.00, within 90 days of the entry of this Order, (3) \$4,000.00, within 180 days of the entry of this Order, (4) \$4,000.00, within 270 days of the entry of this Order, and (5) \$4,337.85, within 360 days of the entry of this Order. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of disgorgement, prejudgment interest, and civil penalties, plus any additional interest accrued pursuant to SEC Rule of Practice 600 or pursuant to 31 U.S.C. 3717, shall be due and payable immediately at the discretion of the staff of the Commission, without further application. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Stuart Carnie as a Respondent in these proceedings, and the file number of these proceedings; a

copy of the cover letter and check or money order must be sent to Lara Shalov Mehraban,  
Assistant Regional Director, Division of Enforcement, Securities and Exchange Commission, 200  
Vesey Street, New York, NY 10281.

By the Commission.

Brent J. Fields  
Secretary