

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
)	
COLUMBIA STAR RESOURCES GROUP)	
JESSE EDMONDSON)	
ALITA RESOURCES LTD)	
NEXUS GOLD CORPORATION)	
THE SESSIONS PROJECT)	ADMINISTRATIVE ORDER
)	NO: CO-2014-0012
)	
<u>RESPONDENTS</u>)	

CONSENT ORDER PERTAINING TO JESSE EDMONDSON ONLY

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities into, within or from the State of Alabama, has determined as follows:

RESPONDENTS

1. COLUMBIA STAR RESOURCES CORP (COLUMBIA) is a foreign corporation with a principal address of Suite 720 – 700 West Pender St, Vancouver, BC V6C 1G8.

2. JESSE ROGERS EDMONDSON (EDMONDSON), at all times relevant, was a geologist and consultant for COLUMBIA. EDMONDSON has listed residential address of 1821 N. Garland Ave, Fayetteville, AR 72703.

3. ALITA RESOURCES LTD (ALTIA) is a foreign corporation with a principal address of 2300 – 1066 West Hastings Street, Vancouver, BC V6E 3X2.

4. NEXUS GOLD CORPORATION (NEXUS) is a gold exploration company which was to be created through a merger described as an “amalgamation” of COLUMBIA and ALITA resulting in the public companies becoming NEXUS.

5. THE SESSIONS PROJECT (SESSIONS PROJECT) was a gold mining project initiated by COLUMBIA and ALITA through NEXUS, and was described as a shallow, open-pit type gold deposit located in central Alabama. Investments in the SESSIONS PROJECT were offered through a subscription agreement issued by COLUMBIA.

STATEMENT OF FACTS

6. On January 21, 2014, an Alabama resident received an unsolicited internet message through the Alabama resident’s LinkedIn account. The message stated:

“Alabama Gold Exploration and Development Project Seeking Investors, Jesse Edmondson Consulting Geologist, Please send me a personal message with your email for more info. Thanks!”

The Alabama resident forwarded the unsolicited internet message from EDMONDSON to the Commission.

7. On January 27, 2014, an Agent (AGENT) of the Commission sent to EDMONDSON a return email feigning interest in the Alabama Gold Exploration and Development Project. EDMONDSON replied to the AGENT by e-mail in which EDMONDSON stated he was a geologist and consulted for two different companies that had projects in Alabama. EDMONDSON identified the companies as Alabama Graphite Company and COLUMBIA. Information provided by EDMONDSON indicated that COLUMBIA was to merge or “amalgamate” with ALITA to form Nexus.

8. EDMONDSON’s email response stated:

“over the past few weeks we have been successful in raising enough money to fully fund the first phase of exploration on the Nevada project and to get the ball rolling in Alabama. We are still seeking \$350,000 to complete the financing for the Alabama project. I am attaching an investor presentation that has an overview of both our projects. Please contact me directly if you

would like any additional information about the company/projects, would like to site visit, or would like to arrange a private placement. Our current private placement offer is shares in the public company at \$0.10/share, with an additional warrant at \$0.20/ share that will be good for 2 years. I can arrange private placements beginning at \$50k. The current money we have raised has come from Canadian investors. I would love to see some Alabamans invest in this thing, because it's an outstanding opportunity to see a very nice return. I am particularly interested in finding a small consortium of local ladies/gentleman that may be interested in investing as a group. Investors in the Alabama project will also become stakeholders in the Nevada project, although all money raised in Alabama project will be solely to advance the project here. If you are still interested and are seriously considering becoming an investor, I would be happy to meet with you in person and go over any details. A site visit or meeting with the Vice President of Exploration for the company can also be arranged. Please feel free to give me a call I you would like to go over anything."

9. EDMONDSON identified the Alabama project as the SESSIONS PROJECT and described it as a gold mining project located 15 miles east of Alexander City. EDMONDSON stated:

"our project in Alabama is hard rock gold, or what is called a lode deposit. We already know there is approximately 60,000 oz of gold in the ground. We think we can prove there is over 100,000 oz of gold. We are still seeking \$350,000 to complete the financing for the Alabama project."

10. In subsequent e-mails, EDMONDSON forwarded the AGENT at the AGENT's request, a COLUMBIA Subscription Agreement offering "Subscription Receipts", 'Conversion Units", and "Conversion Warrants" for the purchase of common shares of interest in ALITA. The subscription agreement directed investors to return the completed subscription agreement; all other accompanying forms; and a certified check, money order, or bank draft to a named Beneficiary – Anfield Aujir Kennedy & Durno LLP in Trust located at 1600, 609 Granville Street, Vancouver, B.C. V7Y 1C3. A bank name and account number for wire transfer of investments was provided. Additionally, EDMONSON provided a newsletter for Alabama Gold DEG, a Columbia Star project overview, a Nexus Cover Page for the Subscription Agreement, and a Nexus Gold Executive Summary.

11. A review of the U.S. Securities and Exchange Commission EDGAR online database disclosed no record of COLUMBIA, ALITA, or NEXUS filing for any exemptions

form registration under Regulation D Rule 506.

12. A review of the Commission's files disclosed that RESPONDENTS were neither registered nor exempt from registration to offer and sell securities in Alabama.

13. Consequently, the Commission issued a Cease and Desist Order that named EDMONDSON. Upon being contacted by the Commission regarding the Cease and Desist Order, EDMONDSON expressed to the Commission that he wished to resolve the matter and provide whatever information the Commission needed.

14. After being contacted by the Commission, EDMONDSON fully complied with the Commission's investigation. EDMONDSON met with the Commission for an informal hearing and voluntarily provided documents requested by the Commission within twenty-four hours of the hearing.

CONCLUSIONS OF LAW

15. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of security includes any evidence of indebtedness or certificate of interest. The COLUMBIA investments, described as "Subscription Receipts", are securities under the Act.

16. Pursuant to Section 8-6-2(2), Code of Alabama 1975, an agent is any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. EDMONDSON's actions, as described herein, establish that EDMONDSON acted as an agent of COLUMBIA in the offer or sale of a security as set forth in the Act.

17. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the Act. EDMONDSON was not registered as an agent or broker dealer in the state of Alabama. EDMONDSON, attempted to facilitate a securities transaction with an Alabama resident in violation of the Act.

18. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless: It is registered under this act, or the security is exempt from registration under section 8-6-10; or the transaction is exempt under section 8-6-11. The securities offered by RESPONDENTS COLUMBIA, ALTIA, NEXUS AND SESSIONS PROJECT were neither registered nor subject to a perfected exemption from registration in violation of the Act.

WHEREAS, EDMONDSON admits that he was not registered as an agent or broker dealer in the state of Alabama and that in ignorance of the law he attempted to facilitate the purchase of a security in the state of Alabama. **EDMONDSON** avers that his employers encouraged him to solicit potential investors for the projects and never informed him that his actions were unlawful or otherwise improper. **EDMONDSON** states that the information and assertions presented to the Commission during its investigation of this matter are true and correct, that **EDMONDSON** understands the Commission relied upon such information and assertions in its determination to accept this Order, and that should this information or these assertions prove to be misrepresented, the Commission may seek such other administrative, civil, or criminal remedies that may be available under the provisions of the Act.

WHEREAS, EDMONDSON has voluntarily waived all rights to any further hearing upon entry of this Order, and has consented to the entry of this Order, and

WHEREAS, the Commission finds this Order necessary and appropriate in the public interest for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act, and

WHEREAS, the Commission and **EDMONDSON** are desirous of settling this matter as hereafter set forth and agree to entry of this Order.

ACCORDINGLY, IT IS HEREBY ORDERED:

1. **EDMONDSON** pay an administrative assessment, pursuant to Section 8-6-19(k)(1), Code of Alabama 1975, in the amount of five hundred dollars and zero cents (\$500.00) to the Commission.

2. The conditions of the July 2, 2014 Cease and Desist Order previously issued in this matter are hereby abated as it relates to **EDMONDSON**. The Cease and Desist Order relating to all other **RESPONDENTS** will remain in place and not otherwise be affected by this Order.

Reviewed and accepted this 2 day of June, 2021.

BY:




JESSE EDMONDSON
RESPONDANT

Entered at Montgomery, AL this 22nd day of June, 2021.

ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
Montgomery, Alabama 36104
Telephone: (334) 242-2984

BY:



JOSEPH P. BORG
DIRECTOR

