

Former Barkerville CEO Frank Callaghan banned for one year by the BCSC

Former Barkerville Gold {TSX.V: BGM} CEO Frank Callaghan has reached a deal with the BCSC over the reporting of resources at the Barkerville project in 2012.

Former CEO Callaghan had agreed a one year ban on being an officer or director of a public company, and received a \$30,000 fine.

Comment

Whilst the damage to shareholder value here was substantial, it is quite incredible that Barkerville Mines have committed to pay the fine, as disclosed in the final paragraph of this report.

It's a double whammy for shareholders, they lost in the fall after the report and stock suspension, and are now losing again as the company seems committed to paying this fine for their former CEO.

This does not send the right message to those effected, nor those watching from a market perspective., in my opinion.

BCSC reaches deal with Callaghan

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The B.C. Securities Commission has imposed a one-year ban and a \$30,000 fine on Frank Callaghan for violating the rules surrounding the reporting of resource estimates.

The breach occurred when he reported a massive 10.6-million-ounce indicated resource at **Barkerville Gold Mines Ltd.'s {TSX.V: BGM}** Cow Mountain project. The company later had to reduce that estimate to 1.04 million ounces.

The sanctions against Mr. Callaghan are contained in an order and agreed statement of facts the BCSC released on Tuesday, Oct. 27. The order bars Mr. Callaghan from serving as an officer or director of any public company and from engaging in investor relations for one year. He must also complete a course on the requirements of National Instrument 43-101, the rules governing the reporting of mineral resource estimates.

News of the investigation is contained in a tiny snippet found deep in Barkerville's annual financial results, filed on Thursday, June 25. In the notes to those statements (on page 41 of 50) **the company discloses that it will reimburse its former CEO for "all the ongoing legal fees related to BCSC claims against the former CEO."**



