



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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**IN THE MATTER OF THE *SECURITIES ACT*,  
R.S.O. 1990, c. S.5, AS AMENDED**

**- AND -**

**IN THE MATTER OF DOLLY VARDEN SILVER CORPORATION**

**ORDER**

**(Rule 13.1 of the Ontario Securities Commission  
*Rules of Procedure* (2014), 37 O.S.C.B. 4168)**

**WHEREAS:**

1. on June 27, 2016, Hecla Mining Company (“Hecla”) announced its intention to acquire all of the outstanding shares of Dolly Varden Silver Corporation (“Dolly Varden”) not already owned by Hecla (the “Insider Offer”) and formally commenced the Insider Offer on July 8, 2016 by filing its offer and bid circular on SEDAR and issuing a news release;
2. on July 5, 2016, Dolly Varden announced its intention to undertake a private placement with an anticipated closing date of July 15, 2016 (the “Private Placement”);
3. on July 8, 2016, Hecla filed an application with the British Columbia Securities Commission (“BCSC; the “BC Application”), seeking a permanent order under the *Securities Act*, R.S.B.C. 1996, c. 418, as amended, cease trading the Private Placement and any securities issued, or that may be issued, under or in connection with the Private Placement, or in the alternative, an order cease trading the Private Placement unless and until Dolly Varden obtains a simple majority of the votes cast by Dolly Varden shareholders entitled to vote at a duly convened meeting in favour of the Private Placement;

4. on July 11, 2016, Dolly Varden filed an application with the Ontario Securities Commission (the “Commission” or “OSC”) pursuant to sections 104 and 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, in connection with the Insider Offer (the “OSC Dolly Varden Application”);
5. on July 14, 2016, Hecla filed an application with the Commission (the “OSC Application”) seeking substantially the same relief as the BC Application (the BC Application and the OSC Application are collectively referred to as the “Hecla Applications”);
6. on July 14, 2016, Dolly Varden signed an undertaking to the BCSC that it will not conduct a distribution of any securities, under the Private Placement or otherwise, until the BCSC renders its decision in the BC Application;
7. on July 15, 2016, the OSC ordered that pursuant to Rule 13.1 of the OSC *Rules of Procedure* (the “OSC Rules”), that the Hecla Applications shall be heard by way of a Simultaneous Hearing in conjunction with the BCSC;
8. on July 16, 2016, Dolly Varden filed an application with the BCSC (together with the OSC Dolly Varden Application referred to as the “Dolly Varden Applications”);
9. on July 20, 2016, the hearings of the Hecla Applications and the Dolly Varden Applications commenced;
10. at the commencement of the hearing on July 20, 2016, OSC Staff, BCSC Staff and Dolly Varden provided submissions in support of the Dolly Varden Applications being heard by way of a Simultaneous Hearing in conjunction with the BCSC, and Hecla stated that it reserved the right to make submissions at the conclusion of the hearing with respect to the appropriate jurisdiction of the OSC and BCSC on the Dolly Varden Applications;
11. the Commission is of the opinion that it is in the public interest to make this Order;

**IT IS HEREBY ORDERED** that pursuant to Rule 13.1 of the OSC Rules, taking into consideration the timing and urgency of the Dolly Varden Applications and efficiency in their conduct, it is appropriate at this time to proceed to hear the evidence and submissions for the Dolly Varden Applications by way of a Simultaneous Hearing, subject to submissions to be made by the parties at the conclusion of the hearing with respect to the appropriate jurisdiction of the OSC and BCSC on the matters raised in the Dolly Varden Applications.

Dated at Toronto this 20<sup>th</sup> day of July, 2016.

*“D. Grant Vingoe”*

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D. Grant Vingoe

*“Monica Kowal”*

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Monica Kowal

*“Deborah Leckman”*

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Deborah Leckman