

IN THE MATTER OF
THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NOVA SCOTIA AND
NEWFOUNDLAND AND LABRADOR

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF
APPLICATIONS

AND

IN THE MATTER OF IVANHOE CAMBRIDGE I INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application from Ivanhoe Cambridge I Inc. (the "Corporation") for:

- (i) a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirements, where applicable, contained in the Legislation to file and send to securityholders, its:
 - (a) comparative financial statements for the year ended December 31, 2001 (the AAnnual Statements@);
 - (b) annual report for the year ended December 31, 2001 (the AAnnual Report@);
 - (c) report in lieu of an information circular for the year ended December 31, 2001 (the AAnnual Filing@); and
 - (d) interim financial statements for the quarter ending March 31, 2002 (the AInterim Statements@);

shall not apply to the Corporation; and

- (ii) in Ontario, Saskatchewan and Quebec only, a decision pursuant to the securities legislation of Ontario, Saskatchewan and Quebec, where applicable, that the requirements to file and send to securityholders, its:
 - (a) annual information form for the year ended December 31, 2001 (the AAIF@);

- (b) management discussion and analysis for the year ended December 31, 2001 (the "Annual MD&A"); and
- (c) interim management discussion and analysis for the quarter ending March 31, 2002 (the "Interim MD&A");

shall not apply to the Corporation;

AND WHEREAS pursuant to the Mutual Reliance System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Corporation has represented to the Decision Makers that:

1. The Corporation is a corporation amalgamated under the laws of the Province of Ontario and its head office is located in Toronto, Ontario;
2. The Corporation is a reporting issuer or the equivalent in each of the Jurisdictions and is not in default of any of the requirements of the Legislation;
3. The financial year end for the Corporation is December 31;
4. The authorized share capital of the Corporation consists of common shares and special shares, of which 222,000,000 common shares and 100 special shares (collectively, the "Shares") are currently issued and outstanding;
5. All of the Shares of the Corporation are held by Ivanhoe Realties Inc., a wholly-owned subsidiary of Ivanhoe Cambridge Inc. ("Ivanhoe");
6. Currently, other than the Shares, the Corporation has the following securities outstanding:
 - (i) bonds evidencing real estate mortgages (the "Mortgage Bonds") that were distributed to institutional lenders and other sophisticated investors under the \$150,000 private placement exemption or the exempt purchaser exemption (or equivalent exemptions) in the Jurisdictions, and;
 - (ii) approximately \$2.9 million in aggregate principal amount of 6% Convertible Subordinated Debentures due June 30, 2007 (the "Debentures");
7. The Corporation is not obligated under the terms of the trust deeds governing the Mortgage Bonds or the terms of the trust indenture governing the Debentures to prepare or send the Annual Statement, Annual Report, Annual Filing, Interim

Statement, AIF, Annual MD&A and Interim MD&A (collectively the Continuous Disclosure Documents[@]) to the holders of the Mortgage Bonds or Debentures;

8. Pursuant to the terms of the trust indenture, the Debentures can no longer be converted into any other security and may only be redeemed for cash on or after June 30, 2002;
9. Approximately \$2.6 million principal amount of the Debentures is held by Ivanhoe with the remaining principal amount of \$337,920 being held by approximately 179 beneficial holders;
10. The Corporation has publicly disclosed that it intends to redeem the Debentures at principal plus accrued interest on June 30, 2002.
11. The Corporation will send notices to the holders of the Debentures in May 2002 of its intention to redeem the Debentures on or about June 30, 2002;
12. Upon redemption of the Debentures, the only outstanding securities of the Corporation will be the Shares owned by Ivanhoe Realties Inc. and the Mortgage Bonds held by lenders to the Corporation;
13. The Corporation's securities are not listed or traded on any stock exchange;
14. The Corporation is not in default under the trust indenture governing the Debentures with respect to payment of interest or otherwise, or under any of the trust deeds governing the Mortgage Bonds;
15. Following the making of this Decision (as defined below), the Corporation will issue a press release stating that it has obtained relief from the requirement to file and send its Continuous Disclosure Documents and that it will apply to cease to be a reporting issuer following the redemption of the Debentures;

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the requirements contained in the Legislation to file and send to securityholders, the Annual Statements, the Annual Report, the Annual Filing, where applicable, and the Interim Statements, shall not apply to the Corporation provided that:

- (a) the Debentures are redeemed on or about June 30, 2002; and

- (b) the Corporation files an application as soon as reasonably possible after the redemption of the Debentures to the applicable securities regulatory authorities or regulators to have the Corporation deemed to have ceased to be a reporting issuer in the Jurisdictions;

DATED this 16th day of April, 2002.

A Theresa McLeod@
A Commissioner

ALorne Murphy@
A Commissioner

THE FURTHER DECISION of the securities regulatory authority or securities regulator in each of Ontario, Saskatchewan and Quebec is that the requirements pursuant to the legislation of Ontario, Saskatchewan and Quebec to file and send to securityholders, the AIF, the Annual MD&A and the Interim MD&A, where applicable, shall not apply to the Corporation provided that:

- (a) the Debentures are redeemed on or about June 30, 2002; and
- (b) the Corporation files an application as soon as reasonably possible after the redemption of the Debentures to the applicable securities regulatory authorities or regulators to have the Corporation deemed to have ceased to be a reporting issuer in the Jurisdictions.

DATED this 16th day of April, 2002.

A John Hughes@
John Hughes
Manager, Corporate Finance

Headnote:

Mutual Reliance Review System for Exemptive Relief Applications - exemptive relief granted from filing continuous disclosure documents for year ended December 31, 2001 and first quarter ended March 31, 2002 - issuer has only one series of public debt securities outstanding and intends to redeem these securities on June 30, 2002 and apply to cease to be a reporting issuer - advance notice given to security holders.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am, s. 77, 78, 79, s.80(b)(iii) and 81(1).

Applicable Ontario Rules Cited

OSC Rule 51-501- AIF and MD&A, (2000) 23 OSCB 8365, as am., s. 1.2(2), 2.1(1), 3.1, 4.1(1), 4.3 and 5.1.

OSC Rule 52-501- Financial Statements, (2000) 23 OSCB 8372, s. 2.2(2) and 4.1.