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ARIZONA CORPORATION COMMISSION

August 30, 2011

Michele A. Kulerman, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
1140 New York Avenue, N.W.
Washington, D.C. 20005-2111

Re: Trelawney Mining and Exploration Inc.
A.R.S. § 44-1844(A)(6)

Dear Ms. Kulerman:

The Securities Division has reviewed the no-action letter request dated July 29, 2011, and supplements dated August 8 and August 16, 2011, submitted on behalf of the company referenced above. On the basis of the information set forth in these letters, the Securities Division declines to issue a no-action letter because the Division does not find the described transaction satisfies the requirements of A.R.S. § 44-1844(A)(6). We have attached photocopies of the letters containing the facts upon which this position is based.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matthew J. Neubert", with a horizontal line extending to the right.

Matthew J. Neubert
Director of Securities

Attachments

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July 29, 2011

VIA OVERNIGHT DELIVERY

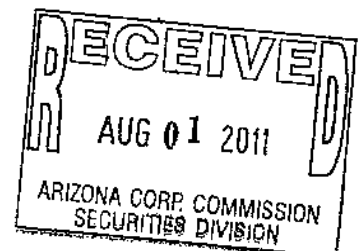
Elvin L. Farr, CPA
Corporation Finance Unit
Corporation Commission, Securities Division
1300 West Washington Street, Third Floor
Phoenix, Arizona 85007

**Re: Trelawney Mining and Exploration Inc.
Request for No-Action: Offer to Purchase**

Dear Mr. Farr:

We are writing this letter: (a) to notify the Securities Division (the "Division") of the proposed issuance of securities to the public pursuant to an offer to purchase securities, as more particularly described below, and (b) to claim the exemption from the provisions requiring registration pursuant to Sections 44-1844(A)(6) and 44-1826 of the Securities Act, or (c) in the alternative, to request a no-action letter by the Division indicating that no enforcement action will be taken to require registration of the offered securities in the State. Our firm is acting as counsel to Trelawney Mining and Exploration Inc., a corporation existing under the Laws of the Province of Ontario ("Trelawney" or the "Company"), in its offer to purchase (the "Offer") all of the outstanding common shares of Augen Gold Corp. ("Augen"), together with the associated rights (the "SRP Rights") issued under the shareholder rights plan (the "Shareholder Rights Plan") of Augen (together, the "Augen Shares"). The Company currently owns approximately 45% of the outstanding Augen common shares.

In the Offer, the Company proposes to exchange 0.066 of a common share in the capital of the Company (one whole such common share, a "Trelawney Share") for each Augen Share (the "Offer Consideration"), subject to adjustment for fractional shares. Each holder of Augen Shares may accept the Offer with respect to the Trelawney Share exchange by executing a Letter of Acceptance (the "Letter") and returning such Letter. The closing price of the Augen Shares on July 8, 2011, was \$0.27. The Trelawney Shares are listed for trading on the TSX Venture Exchange (the "TSXV"). The closing price of the Trelawney Shares on July 8, 2011, was \$4.87. Upon acceptance of the Offer and tender of Augen Shares, depositing holders of Augen Shares will not be obliged to pay brokerage fees or commissions if they accept the Offer by depositing their Augen Shares directly with Equity Financial Trust Company as the Depository. The Company has engaged RBC Dominion Securities Inc., a member company of RBC Capital Markets, as Dealer Manager for the Offer to solicit acceptances of the Offer.

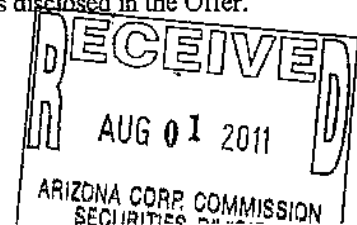


Facts: The Company, a Canadian mineral exploration and development company based in Toronto, Canada, is a Canadian reporting issuer that is permitted, under a multi-jurisdictional disclosure system adopted by the United States and Canada (the "MJDS"), to prepare the Offer to Purchase and Circular to be sent to holders of Augen Shares in connection with the Offer in accordance with the disclosure requirements of Canada. The Offer is being made for the securities of a Canadian "foreign private issuer," as such term is defined in Rule 3b-4 under the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), that does not have securities registered under Section 12 of the U.S. Exchange Act. Accordingly, the Offer is not subject to Section 14(d) of the U.S. Exchange Act, or Regulation 14D thereunder. The Offer is being conducted in accordance with Section 14(e) of the U.S. Exchange Act and Regulation 14E thereunder as applicable to a tender offer (i) in which less than 40% of the class of securities outstanding that is subject to the tender offer is held by U.S. holders and (ii) that is conducted under the MJDS and cross-border tender offer rules that permit the Company, a Canadian foreign private issuer, to prepare the Offer to Purchase and Circular in accordance with the disclosure requirements of Canadian provincial and federal law. In connection with the Offer, the Company has filed with the United States Securities and Exchange Commission (the "SEC") a Registration Statement on Form F-80 (the "Registration Statement") and other documents and information. Pursuant to Section V(D) of the Form F-80 instructions, the Company is exempt from filing a Tender Offer Statement on Schedule TO. The Company is a reporting issuer or equivalent in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador and files its continuous disclosure documents and other documents with the securities regulatory authorities of those provinces.

Augen is a mineral exploration company focused upon building shareholder value by confirming an historic resource and expanding that resource with the aim of becoming a producing gold company. Augen's business includes the exploration of staked and patented mining claims in the Southern Swayze Greenstone Belt. Augen's registered and head office address is located at 360 Bay Street, Suite 500, Toronto, ON M5H 2V6. Augen is a reporting issuer or equivalent in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador and files its continuous disclosure documents and other documents with the Securities Regulatory Authorities of those provinces. The Augen Shares are listed for trading on the TSXV.

The Transaction: As of the three month period ended March 31, 2011, there were 127,691,347 Augen Shares issued and outstanding. The Offer is made only for Augen Shares (including the associated SRP Rights) and is not made for any options, warrants, convertible securities or other rights (other than SRP Rights) to acquire Augen Shares.¹ The Company is offering to purchase all of the outstanding Augen

¹ As of March 31, 2011, (i) 6,850,000 Augen Shares were issuable pursuant to options and (ii) 38,416,993 Augen Shares were issuable upon the exercise of warrants. Any holder of options, warrants, convertible securities or other rights (other than SRP Rights) to acquire Augen Shares who wishes to accept the Offer in respect of the Augen Shares issuable upon exercise, exchange or conversion thereof can fully exercise, exchange or convert such options, warrants, convertible securities or other rights to acquire Augen Shares in order to obtain certificates representing Augen Shares that may be deposited in accordance with the terms of the Offer. Any such exercise, exchange or conversion must be completed sufficiently in advance of the expiry time of the Offer, as disclosed in the Offer.



Shares directly from the holders of Augen Shares; therefore, according to applicable Canadian law, no vote is required of Augen's board of directors or any of Augen's shareholders to complete the Offer. If Augen Shareholders (inside and outside the U.S.) holding not less than 90% of the issued and outstanding Augen Shares (other than Augen Shares held on the date of the Offer by or on behalf of Trelawney, or an "affiliate" or "associate" (as such term is defined in the Business Corporations Act (Ontario)(the "OBCA")) of Trelawney) accept the Offer, the Company is entitled, pursuant to Section 180 of the OBCA, to acquire the remainder of the Augen Shares for the same price and on the same terms as applied to Augen Shares acquired under the Offer. After consummation of the Offer, the Company expects to own a sufficient number of Augen Shares so that it will become a majority-owned subsidiary of the Company. If the Company does not acquire 90% or more of the Augen Shares pursuant to the Offer, it may propose to acquire all of the Augen Shares not deposited under the Offer in a subsequent acquisition transaction in accordance with applicable Canadian law and subject to approval of at least 66²/₃% of the votes cast by holders of the outstanding Augen Shares at a meeting duly called and held for the purpose of approving a subsequent acquisition transaction. Canadian Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, would in effect also require that, unless exempted, in addition to any other required security holder approval, in order to complete a business combination, going private transaction or related party transaction, as applicable, the approval of a majority of the votes cast by "minority" holders of affected securities be obtained unless an exemption is available or discretionary relief is granted.

Request for No-Action: In a merger or other type of reorganization, Section 44-1844(A)(6) exempts from registration an act or transaction incident to a vote by shareholders. The Offer by the Company of Trelawney Shares for outstanding Augen Shares is subject to approval by a certain percentage of Augen Shareholders by tender of their Letter subject to the Offer, the issuance of Trelawney Shares in exchange for Augen Shares is subject to a controlling corporate statute under Canadian laws, and approval of Trelawney Shareholders may be required prior to any issuance of Trelawney Shares. It is our interpretation of Section 44-1844(A)(6) that the Offer is an act incident to approval or consent by shareholders for the issuance of securities of another corporation pursuant to applicable Canadian corporate law and accordingly, the exemption from registration pursuant to such section is available for the Offer and issuance of Trelawney Shares. Alternatively, the registration of such Trelawney Shares and the registration of the officers, directors and employees of the Company as agents in connection with the Offer is not necessary for the protection of the Augen Shareholders as the exchange has the same effect as a transaction contemplated by such Section.

The Registration Statement was filed with the SEC on July 13, 2011, and became effective immediately upon its filing. No comments were received from the SEC. Please also be advised that: (i) we know of no pending or final judicial, SRO or administrative proceeding, and (ii) no securities have been issued pursuant to the Offer. The Offer is initiated in Canada and in the various U.S. jurisdictions, and remains open for acceptance from holders of Augen Shares until September 1, 2011. According to a current geographical analysis report, there appear to be no holders of Augen Shares "of record" in the State and only one (1) holder in New York. Please note, however, that the report may not indicate whether any shares which are held in "street name" are owned beneficially by residents in this State.

We ask the Division that this request be kept confidential and privileged. We also respectfully request expedited review and confirmation that, while we understand the exemption is self-executing, on

Elvin L. Farr, CPA
July 29, 2011
Page 4

the basis of our representations and the facts presented, the Division will take no enforcement action if the Company issues Trelawney Shares in exchange for Augen Shares pursuant to the Offer described herein. In addition, we ask for confirmation that no enforcement action will be taken with respect to any officer, director or other employee of the Company. Based on the foregoing, we and our client would sincerely appreciate the cooperation of the Division in this regard.

In connection with this request, we enclose a copy of the Offer to Purchase and Circular and a filing fee of \$200.00. We have enclosed a duplicate copy of this letter, and request that you date-stamp and return it in the business reply envelope.

Should you have any questions or require additional information concerning this filing, please do not hesitate to call me.

Respectfully submitted,



Michele A. Kulerman

Enclosures

cc: Trelawney Mining and Exploration Inc. (w/enclosures)
Ryan J. Dzierniejko, Esq. (w/enclosures)
Sarah K. Ward, Esq. (w/enclosures)

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August 8, 2011

VIA E-MAIL

Cheryl T. Farson, Esq.
General Counsel
Corporation Finance Unit
Corporation Commission, Securities Division
1300 West Washington Street, Third Floor
Phoenix, Arizona 85007

Re: **Trelawney Mining and Exploration Inc.**
Supplemental Letter to Request for No-Action: Offer to Purchase

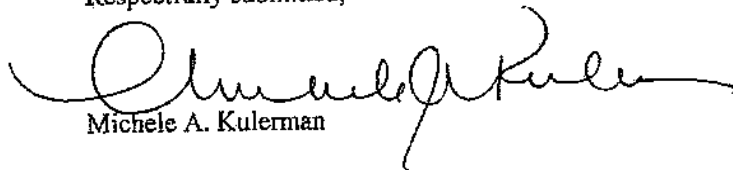
Dear Ms. Farson:

It was a pleasure speaking with you today and I appreciate your cooperation in the filing for the referenced offering. At your request, we acknowledge that, pursuant to Section 44-1826 of the Arizona Securities Act, the Director may formally respond to written requests from interested persons for interpretative no-action that confirm that the Division will not institute enforcement proceedings against certain specified persons for engaging in certain specified activities. We understand that, in addition to our submission for a no-action request in writing detailing the statutory and regulatory provisions applicable to the request, the request, together with any documents or other information submitted, and any response from the Division, is public information that may be released for publication, except as otherwise provided by law. Further, we understand that a no-action letter is limited to the specific security, case, matter, facts, person or transaction described in the request and has no precedential value in any other context.

We appreciate your consideration of our request for a no-action letter and that it is in the best interests of Trelawney Mining and Exploration Inc., in its offer to purchase all of the outstanding common shares of Augen Gold Corp. ("Augen"), and the holders of Augen common shares.

Kindly acknowledge receipt of this letter by responding to this by return e-mail. Should you have any questions or require additional information concerning this filing, please do not hesitate to call me.

Respectfully submitted,


Michele A. Kulerman

cc: Trelawney Mining and Exploration Inc.
Ryan J. Dzierniejko, Esq. / Sarah K. Ward, Esq.

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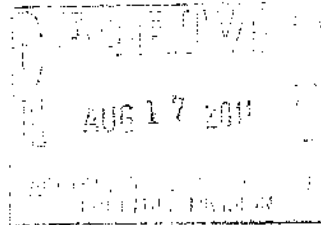
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August 16, 2011

VIA E-MAIL AND OVERNIGHT DELIVERY



Cheryl T. Farson, Esq.
General Counsel
Arizona Corporation Commission
Securities Division
1300 West Washington Street – Third Floor
Phoenix, AZ 85007

Re: **Trelawney Mining and Exploration Inc.**
Supplement to Request for Interpretive No-Action: Offer to Purchase

Dear Ms. Farson:

Per your e-mail of August 15, 2011, I wanted to clarify certain statements made in our letter dated August 12, 2011, relating to the referenced Offer to Purchase (the "Offer") and Circular (the "Circular" and together with the Offer, the "Offering") by Trelawney Mining and Exploration Inc. (the "Company" or "Issuer"). The purpose of our letter is to provide the Division with the information necessary either (i) to confirm that there is sufficient basis to determine that the Offering falls within the provisions for an exemption from registration pursuant to Section 44-1844(A)(6) of the Arizona Securities Act or (ii) in the alternative, to issue an interpretative no-action letter pursuant to Section 44-1826 stating that registration of the securities to be issued in the Offering in the State is not required under the facts presented.

Your comments and our responses follow.

1. COMMENT 1. "Given that the subject transaction is governed by Canadian law, I would appreciate assistance with applying the elements of ARS section 44-1844(A)(6) to the transaction. Please elaborate how Trelawney's proposed purchase of Augen shares from Augen shareholders is a statutory reorganization, merger, consolidation, or sale of assets."

RESPONSE 1. We understand that the Offering described herein may not clearly fall within the terms of the Arizona exemption under Section 44-1844(A)(6), which provides an exemption for:

"6. Any transaction or series of transactions incident to a statutory or judicially approved reorganization, merger, triangular merger, consolidation, or sale of assets, incident to a vote by securities holders pursuant to the articles of incorporation, the applicable corporate statute or other

controlling statute, a partnership agreement or the controlling agreement among securities holders.”

At your request for clarification, outlined below are the relevant facts in connection with the Offering:

- Trelawney Mining and Exploration Inc. (“Trelawney” or the “Company”) is offering to purchase all of the outstanding common shares (the “Augen Shares”) of Augen Gold Corp. (“Augen”), and as a result of the acquisition of Augen, (i) Augen would become a wholly-owned subsidiary of the Company and (ii) after the acquisition, the Company will acquire control of Augen’s mining claims surrounding the Côte Lake deposit.
- Prior to the Offer to holders of Augen Shares (the “Augen Shareholders”), Section 14 of the Circular describes certain “Lock-Up Agreements” that were entered into with the Company and certain Augen Shareholders who agreed, in writing, to tender to the Offer all Augen Shares which such Augen Shareholders beneficially owns or over which it exercises control or direction, and any Augen Shares which such Augen Shareholders acquires or over which it comes to exercise control or direction over subsequent to the date of the Lock-Up Agreement, and not to withdraw such Augen Shares from the Offer unless such Lock-Up Agreement is terminated. As a result, holders of an aggregate number of Augen Shares representing 42% of the issued and outstanding Augen Shares agreed to this Lock-Up Agreement with the Company.
- In the Offering, each holder of Augen Shares may accept the Offer with respect to such shares by executing a Form of Acceptance (the “Form”) and returning such Form to the Company. According to Canadian statutory law, the acceptance of the Offer by not less than 90% of the Augen Shareholders in the United States (“U.S.”) and in Canada constitutes approval and a written consent of the Offer by the Company without the requirement of a formal “vote” by such Augen Shareholders. Less than 40% of the class of securities outstanding that is subject to the Offer is held by U.S. holders.
- Since the Offering is a share exchange transaction, each common share of Trelawney (a “Trelawney Share”) entitles its holder to: (a) cast one vote per Trelawney Share at any meeting of the shareholders of Trelawney; (b) receive on a pro rata basis any dividends on such Trelawney Shares; and (c) upon liquidation, dissolution or winding up of Trelawney, to receive on a pro rata basis the net assets of Trelawney after payment of debts and other liabilities. The acceptance of the Offer by an Augen Shareholder would provide such holder with significant greater trading liquidity as a Trelawney Shareholder.
- The Board of Directors of the Company has approved the contents of the Offer and the sending of all related communication to the Augen Shareholders.

The Offer by Trelawney is made in compliance with (i) the multi-jurisdictional disclosure system (“MJDS”) adopted by the United States (pursuant to which the Company has filed with the U.S. Securities and Exchange Commission (the “SEC”) a Registration Statement on Form F-80¹), and (ii) in accordance

¹ Form F-80 may be used for registration under the Securities Act of 1933, as amended (the “Securities Act”) of securities to be issued in an exchange offer or in connection with a statutory amalgamation, merger, arrangement or other reorganization requiring the vote of shareholders of the participating companies (a “business combination”).

Cheryl T. Farson, Esq.
Arizona Corporation Commission
August 16, 2011
Page 3

with the disclosure requirements of Canadian statutory law. In compliance with the intent of the Arizona statute, the Offering is a transaction (or series of transactions²) incident to a statutory approved acquisition (*i.e.*, the Offering results in a statutory organization whereby Augen becomes a wholly-owned subsidiary of the Company) incident to a vote by securities holders pursuant to the applicable corporate statute or other controlling statute (*i.e.*, Section 188 of the Business Corporations Act (Ontario) (the "OBCA") (see, Attachment A)), or the controlling agreement among securities holders (as discussed above, the Board of the Company has approved the Offering, and the Augen Shareholders will approve the Offering by (i) agreeing to the "Lock-Up Agreement" and/or (ii) tendering their Letter accepting the Offer by the Company for the exchange of securities). All action required for the protection and in the best interests of Augen Shareholders has been taken into consideration and the Offer is being made in compliance with requirements of Canadian provincial and U.S. federal laws.

2. COMMENT 2. "Additionally, please identify the controlling statute or document, as enumerated in the exemption, that governs the vote by securities holders."

RESPONSE 2: Enclosed as Exhibit A are the provisions of Section 188 of the OBCA, pursuant to which the Offer by the Company, and any subsequent acquisition or business combination, must comply with the provisions of the applicable laws of Canada relating to the transactions described herein and in our initial letter of July 29, 2011. This Section is disclosed and summarized in Section 20 of the Circular.

In addition, enclosed as Exhibit B is Regulation Section 239.41. of the Securities Act regarding Form F-80, for registration under the Securities Act of securities of certain Canadian issuers to be issued in exchange offers or a business combination.

Please note that, as of the date of this letter, eight (8) states [Arkansas, Connecticut, District of Columbia, Florida, Maryland, Puerto Rico and North Dakota] have formally cleared the Offering, and copies of such letters are attached as Exhibit C. In Minnesota, Dan Sexton verbally confirmed the exemption from registration effective August 2, 2011. Oregon has indicated informally that the Division would not, *sua sponte*, initiate an investigation into violation of its laws in the absence of a complaint filed by a shareholder with the Oregon Division of Finance and Corporate Securities.

We respectfully request that the Division determine that the Offering falls within the scope of the self-executing exemption under Section 44-1844(A)(6) as a statutory organization. In the alternative, we ask that the Division consider a request for Interpretive No-Action on the basis of our representations and the facts presented in our letters and e-mails, and that the Commissioner will take no enforcement action if

Securities may be registered on this Form whether they constitute the sole consideration for such exchange offer or business combination, or are offered in conjunction with cash; This Form shall not be used for registration of securities if no takeover bid circular or issuer bid circular (in the case of an exchange offer) or information circular (in the case of a business combination) is prepared pursuant to the requirements of any Canadian jurisdiction due to the availability of an exemption from such requirements.

² If holders of less than 90% of Augen Shares do not approve the exchange, the Offering may be subject to a vote by Trelawney Shareholders on any subsequent acquisition or business combination or other transactions to acquire all outstanding Augen Shares, all in accordance with the statutory provisions of the OCBA.

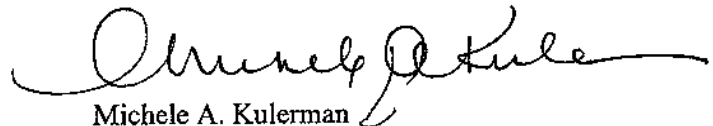
Cheryl T. Farson, Esq.
Arizona Corporation Commission
August 16, 2011
Page 4

the Company issues Trelawney Shares in exchange for Augen Shares pursuant to the Offering described herein. In addition, we ask for confirmation that no enforcement action will be taken with respect to any officer, director or other employee of the Company. We understand that if the Securities Division will not recommend enforcement action for violation of the Arizona Securities Act should the transaction take place as set forth herein, the anti-fraud provisions of such Act continue to be applicable. Based on the foregoing, we and our client would sincerely appreciate the cooperation of the Division in this regard.

We have enclosed a duplicate copy of this letter, and request that you date-stamp and return it in the business reply envelope.

We appreciate this opportunity to respond to your questions. Should you require additional information, please call or e-mail me directly to discuss.

Respectfully submitted,



Michele A. Kulerman

Enclosures

cc: Trelawney Mining and Exploration Inc. (w/enclosures)
Ryan J. Dzierniejko, Esq. (w/enclosures)
Sarah K. Ward, Esq. (w/enclosures)