

FORM 3B1 - INFORMATION REQUIRED IN AN INFORMATION CIRCULAR FOR A QUALIFYING TRANSACTION/FORM 3B2 - INFORMATION REQUIRED IN A FILING STATEMENT FOR A QUALIFYING TRANSACTION

GENERAL INSTRUCTIONS:

- (1) *This Form is applicable to Issuers proposing to effect a Qualifying Transaction.*
- (2) *In circumstances where a meeting of securityholders is not required by the Exchange and is not otherwise required by law, this Form will be known as a filing statement. Where a meeting of securityholders is required by the Exchange or otherwise required by law, this Form will be known as an information circular. In order to distinguish between the requirements for a filing statement and an information circular, all shaded portions of this Form and any disclosure required thereunder shall be applicable solely to an information circular, and in those circumstances all references to the phrase “filing statement” may be ignored in preparing the information circular. Issuers preparing an information circular must comply with the disclosure requirements of the applicable securities legislation.*
- (3) *Terms used and not defined in this Form that are defined or interpreted in: (i) policies (collectively the “Policies”) of the TSX Venture Exchange Inc. (the “Exchange”) including, without limitation, Exchange Policy 1.1 - Interpretation and Exchange Policy 2.4 - Capital Pool Companies; (ii) National Instrument 14-101 Definitions; (iii) National Instrument 41-101 General Prospectus Requirements (“NI 41-101”); or (iv) Form 41-101F1 Information Required in a Prospectus (“Form 41-101F1”), shall bear that definition or interpretation.*
- (4) *This Form sets out specific disclosure requirements that must be followed in connection with a Qualifying Transaction for a CPC. The objective of the filing statement/information circular is to provide full, true and plain disclosure of all material facts relating to the Target Company (or, if there is no Target Company, the other Significant Assets) and the Issuer assuming Completion of the Qualifying Transaction in order for a securityholder to make an informed decision respecting the approval of such Qualifying Transaction.*
- (5) *Certain requirements in this Form make reference to requirements in another instrument or form. Unless this Form states otherwise, Issuers must also follow the instruction or requirement in the other instrument or form. Where an Issuer publishes, via SEDAR, financial statements and Management’s Discussion & Analysis (“MD&A”) in accordance with the provisions of National Instrument 51-102 Continuous Disclosure Obligations (“NI 51-102”) and is not in default of its filing requirements under NI 51-102, the Issuer may incorporate by reference those financial statements and that MD&A which are required to be included in the filing statement/information circular. Unless the Issuer has already filed the referenced document, including any documents incorporated by reference into the document, the Issuer must file it with the filing statement/information circular. Issuers are reminded to obtain any necessary consent from their auditor.*

- (6) *For the purposes of this Form, subject to adjustment as appropriate in the context, in NI 41-101, NI 43-101, NI 51-101, NI 51-102, NI 52-110, and in all forms thereunder:*
- (a) *references to “issuer” and “company” should be read as the “Issuer”, the “Target Company” or the “Resulting Issuer”, as applicable;*
 - (b) *where the Resulting Issuer will be listed on the Exchange, for the purposes of the definition of “IPO venture issuer” set out in NI 41-101, “files a long form prospectus” should be read as “is a Target Company described in this filing statement/information circular”;*
 - (c) *where the Resulting Issuer will be listed on the Exchange, for the purposes of the definition of “junior issuer” set out in NI 41-101, “that files a preliminary prospectus” should be read as “is a Target Company described in this filing statement/information circular”;*
 - (d) *references to “prospectus”, “preliminary prospectus”, “long form prospectus”, “annual information form” and “AIF” should be read as “filing statement” or “information circular”, as applicable;*
 - (e) *references to “distribution of securities”, “distribute securities”, “distributed securities”, “distributing securities”, “securities distributed under the prospectus”, and similar phrases should be read as “listing of securities”, “list securities”, “listed securities”, “listing securities” or a similar phrase that references listed securities;*
 - (f) *references to “distribution or issuance of securities” should be read as a distribution or issuance of securities by the Issuer, the Target Company or the Resulting Issuer, as applicable; and*
 - (g) *references to “proceeds raised under the prospectus” should be read as “proceeds raised under a concurrent financing”.*
- (7) *The terms “Issuer”, “Target Company” and “Resulting Issuer”, unless otherwise specified, shall also include disclosure with respect to persons or companies that the entity is required, under its GAAP, to consolidate, proportionately consolidate or account for using the equity method (for example, including “subsidiaries” as that term is used in Canadian GAAP applicable to publicly accountable enterprises). If it is more likely than not that a person or company will become an entity that the Issuer, Target Company or Resulting Issuer will be required, under its GAAP, to consolidate, proportionately consolidate or account for using the equity method, it may be necessary to also include disclosure with respect to the person or company.*
- (8) *Wherever this Form uses the word “subsidiary”, the term includes companies and other types of business organizations such as partnerships, trusts and other unincorporated business entities.*
- (9) *In determining the degree of detail required, a standard of materiality should be applied. Materiality is a matter of judgment in each particular circumstance, and should generally be determined in relation to an item’s significance to securityholders, investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change a securityholder’s or the Exchange’s decision with respect to approving the proposed Qualifying Transaction. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items should be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the CPA Canada Handbook.*
- (10) *The disclosure must be understandable to readers and presented in an easy-to-read format. The presentation of information should comply with plain language principles. If technical terms are required,*

clear and concise explanations should be included. Disclosure must be factual and non-promotional. Statements of opinions, beliefs or views must not be made unless the statements are made on the authority of experts and consents are obtained and filed. The Exchange may require verification of such disclosure.

- (11) No reference need be made to inapplicable items and, unless otherwise required in this Form, negative answers to items may be omitted. Except for information that appears in a summary, information provided under one item of this Form need not be repeated under another item.
- (12) In respect of those items where a cross-reference is not specifically required, provide any appropriate cross-reference(s) to section(s) of the filing statement/information circular where further detail may be found.
- (13) Where information as to the identity of a person is disclosed, disclose whether the person is at arm's length to the Issuer, Target Company or Resulting Issuer, as applicable or, if the person is a Non-Arm's Length Party, disclose the nature of the relationship. Where such Non-Arm's Length Party is not an individual, disclose the name of any individual who is an Insider of that Non-Arm's Length Party.
- (14) Where a Qualifying Transaction is subject to Exchange Policy 5.9 - Protection of Minority Security Holders in Special Transactions, the disclosure in this Form must also include the relevant disclosure required to be included in an information circular under Policy 5.9 - Protection of Minority Security Holders in Special Transactions.
- (15) Whenever disclosure is required to be made of costs paid or to be paid by an Issuer, Target Company, or Resulting Issuer, disclose the portion of the costs paid or to be paid to Insiders.
- (16) Except as otherwise required by this Form, the information contained must be given for a specified date not more than 30 days before the date on which it is first sent to any securityholder or submitted in final form to the Exchange. If disclosure is required as of a specific date and there has been a material change or change that is otherwise significant in the required information subsequent to that date, present the information as of the date of the change or a date subsequent to the change instead.
- (17) If the term "class" is used in any item to describe securities, the term includes a series of a class.

Item 1: Cover Page Disclosure

1.1 Cover Page Disclosure - State on the cover page the name of the Issuer, whether the meeting to be held is an annual general and/or special meeting and the date the meeting is to be held.

1.2 Required Language - State in *italics* at the bottom of the cover page the following:

“Neither the TSX Venture Exchange Inc. (the “Exchange”) nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this filing statement/information circular.”

Item 2: Table of Contents

2.1 Table of Contents - Include a table of contents.

Item 3: Glossary

3.1 Glossary - Include a glossary of terms.

INSTRUCTION:

(1) *Where the glossary includes any of the terms set out in Appendix 1 to this Form, provide the corresponding definition for that term as set out in Appendix 1.*

Item 4: Summary of Filing Statement/Information Circular

4.1 Cautionary Language - At the beginning of the summary, include a statement in *italics*, in substantially the following form:

“The following is a summary of information relating to the Issuer, [Target Company/Significant Assets] and Resulting Issuer (assuming Completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this filing statement/information circular.”

4.2 General - Briefly summarize, near the beginning of the filing statement/information circular, information appearing elsewhere in the filing statement/information circular that, in the opinion of the Issuer, would be most likely to influence a securityholder’s decision to approve the proposed Qualifying Transaction. Include:

- (a) a summary of the salient information relating to the holding of the meeting, including the time, place and date of the meeting, as well as each of the specific items of business to be considered at the meeting;
- (b) the principal terms of the Qualifying Transaction, including the parties to such Qualifying Transaction, a description of the asset and/or business and/or entity to be acquired, the aggregate consideration to be issued to effect the Qualifying Transaction, including, as applicable, the aggregate number of securities to be issued to proceed with such Qualifying Transaction and the deemed issue price per security;
- (c) a summary of the interests of any Insider, promoter or Control Person of the Issuer and their respective Associates and Affiliates (before and after giving effect to the

- Qualifying Transaction), including any consideration that such individual or party may receive if the Qualifying Transaction proceeds;
- (d) a statement to the effect that the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction; or if the Qualifying Transaction is a Non-Arm's Length Qualifying Transaction, a statement to that effect in **bold print** and provide a brief summary thereof, based on information required by Item 12 of this Form;
 - (e) a statement as to whether the Issuer will be obtaining securityholder approval in relation to the Qualifying Transaction and if so, whether such securityholder approval will be obtained at a meeting of securityholders or by written consents, setting out specifically each matter requiring securityholder approval and the level of securityholder approval required in respect of each matter, and in the event that certain votes are to be excluded in the calculation of votes to determine the required level of securityholder approval, clearly disclose the category of parties whose votes are to be excluded in accordance with the Majority of the Minority Approval required by the Exchange and any applicable corporate laws, securities legislation, securities directions, or otherwise;
 - (f) a summary of the estimated funds available to the Resulting Issuer based on information as required by Item 30.1 of this Form and the principal purposes of those funds based on information as required by Item 30.3 of this Form, after giving effect to the Qualifying Transaction;
 - (g) selected pro forma consolidated financial information;
 - (h) details respecting the Issuer's listing on the Exchange and, if applicable, whether any public market exists for the securities of the Target Company;
 - (i) a statement as to the market price of the securities of the Issuer and, if applicable, the Target Company on the date immediately preceding the announcement of the Qualifying Transaction, and the market price of those securities as of the latest practicable date;
 - (j) a summary of any relationship or other arrangement between the Issuer and the Target Company or Vendor and any Agent or Sponsor in connection with the Qualifying Transaction based on information as required under Item 40 of this Form;
 - (k) a summary of the details of any conflicts of interest;
 - (l) a summary of the interests of experts, if any, based on information as required under Item 41 of this Form; and
 - (m) a summary of risk factors.

INSTRUCTION:

- (1) *Provide appropriate cross-references to additional information respecting these Items in the filing statement/information circular.*

4.3 Conditional Listing Approval - If application has been made to the Exchange to accept the Qualifying Transaction and conditional acceptance has been received, include a statement in substantially the following form, with the bracketed information completed:

"The Exchange has conditionally accepted the Qualifying Transaction subject to [the name of the Issuer] fulfilling all of the requirements of the Exchange."

PROXY RELATED INFORMATION

Item 5: Proxy Related Matters

5.1 General Proxy Information - Provide the disclosure to be included in an information circular as required by applicable securities legislation, including NI 51-102, and corporate laws.

INSTRUCTION:

(1) *If the required disclosure is specified elsewhere in the information circular, a cross reference may be made.*

5.2 Requisite Securityholder Approval(s) - Disclose the level of securityholder approval required in order for the Qualifying Transaction or any other matter(s) to be approved.

INSTRUCTIONS:

(1) *In setting forth the applicable securityholder approval(s) take into account the Majority of the Minority Approval required by the Exchange and any applicable corporate laws, securities legislation or securities directions which mandate the appropriate level of securityholder approval required in respect of each matter to be considered at the meeting.*

(2) *In the event that certain votes are to be excluded in the calculation of votes to determine the required level of securityholder approval, clearly disclose:*

(a) *the category of parties whose votes are to be excluded in accordance with the Majority of the Minority Approval required by the Exchange or any applicable securities legislation, securities directions, or otherwise; and*

(b) *as known to management, the total number of securities anticipated to be excluded from voting in respect of each matter.*

5.3 Dissenting Rights of Securityholders - In the event that securityholders are entitled to exercise rights of dissent under corporate or other applicable legislation in relation to the Qualifying Transaction or other matter(s), provide a summary of the rights of dissent.

INSTRUCTION:

(1) *In addition to the summary of dissent rights, a copy of an excerpt from applicable corporate or other legislation describing such rights of dissent may be attached as an appendix to the information circular.*

INFORMATION CONCERNING THE ISSUER

Item 6: Corporate Structure

6.1 Name and Incorporation - In relation to the Issuer, set out the information required under section 4.1 of Form 41-101F1.

6.2 Intercorporate Relationships - In relation to the Issuer, set out the information required under section 4.2 of Form 41-101F1.

Item 7: General Development of the Business

7.1 History of the Issuer - Describe the general development of the business of the Issuer since incorporation, including any proposed Qualifying Transaction(s) that were not completed. Include only major events or conditions that have influenced the general development of the business of the Issuer.

7.2 Description of the Qualifying Transaction - Describe the principal terms of the Qualifying Transaction, including:

- (a) the parties to the Qualifying Transaction;
- (b) a description of the asset and/or business and/or entity to be acquired, including the location of the proposed Significant Assets, and, in the case of the acquisition of a Target Company, the jurisdiction of incorporation or creation of the Target Company;
- (c) the amount of proposed consideration, how the consideration will be paid and specifying the amounts to be paid by way of cash, securities, indebtedness or other means, including the deemed issue price per security;
- (d) identification of:
 - (i) any direct or indirect beneficial interest of any of the Non-Arm's Length Parties to the Issuer:
 - A. in the Vendor(s),
 - B. in the Significant Assets, and/or
 - C. in the Target Company,and the names of such Non-Arm's Length Parties;
 - (ii) any Non-Arm's Length Parties to the Issuer that are Insiders of any Target Company;
 - (iii) any relationship between or among the Non-Arm's Length Parties to the Issuer and the Non-Arm's Length Parties to the Qualifying Transaction;
 - (iv) whether or not the proposed Qualifying Transaction constitutes a Non-Arm's Length Qualifying Transaction; and
 - (v) whether or not the Qualifying Transaction will be subject to securityholder approval;
- (e) details of any finder's fee or commission paid or payable in relation to the Qualifying Transaction;

- (f) a description of any deposit, advance or loan made or to be made, subject to Exchange acceptance, including the names of the parties involved, the terms of the deposit, advance, loan or any proposed Private Placement from which proceeds are to be raised to provide the funds for such deposit, advance or loan and the proposed use of any deposit, advance or loan; and
- (g) details of any significant conditions required to be satisfied in connection with the Completion of the Qualifying Transaction.

7.3 Financing - If the Issuer, or any Non-Arm's Length Party to the Qualifying Transaction, is proceeding with any manner of financing in conjunction with the Qualifying Transaction, provide details, including, as applicable, the following:

- (a) if securities are being distributed for cash, provide details respecting the issue price per security, any agent fees, agent options or discounts and the proceeds to the Issuer or such Non-Arm's Length Party;
- (b) if the distribution of the securities is to be on a best efforts basis, provide totals for both the minimum and maximum subscriptions, if applicable;
- (c) disclose separately those securities that are underwritten, those under option and those to be sold on a best efforts basis, and, in the case of a best efforts distribution, the latest date that the distribution is to remain open; and
- (d) disclose commissions paid or payable in cash by the Issuer or such Non-Arm's Length Party and discounts granted. Also disclose:
 - (i) commissions or other consideration paid or payable by persons or companies other than the Issuer or such Non-Arm's Length Party;
 - (ii) consideration other than discounts granted and cash paid or payable by the Issuer or such Non-Arm's Length Party, including warrants and options; and
 - (iii) any finder's fees or similar required payment.

INSTRUCTIONS:

- (1) *The description of the number and type of securities being distributed shall include the restricted security terms, if any, disclosed in accordance with the requirements of applicable securities legislation or applicable securities directions.*
- (2) *Include a description of any other manner of financing being undertaken by or on behalf of the Issuer in connection with the proposed Qualifying Transaction.*

Item 8: Management's Discussion and Analysis

8.1 Management's Discussion and Analysis - Provide disclosure pursuant to item 8 of Form 41-101F1 for the financial statements of the Issuer included in the filing statement/information circular.

INSTRUCTION:

- (1) *The information required to be included by this Item may be incorporated by reference to another document in accordance with General Instruction (5).*

Item 9: Description of the Securities

9.1 Securities - If securities of the Issuer are being distributed in connection with the Qualifying Transaction, set out the information required under item 10 of Form 41-101F1.

Item 10: Stock Option Plan

10.1 Stock Option Plan - If the Issuer has an incentive stock option plan:

- (a) provide a summary of the incentive stock option plan, including details respecting vesting and restrictions on the aggregate number of securities which may be issued to an individual;
- (b) state how the option price is determined; and
- (c) disclose the termination provisions attaching to any stock options.

INSTRUCTIONS:

- (1) *Revise the foregoing as need be to reflect the specific terms of the plan, having regard to the restrictions applicable to stock option plans generally set out in the Policies.*
- (2) *In the event that any matter to be acted upon at the meeting requires securityholder approval for a security based compensation plan or an amendment to a security based compensation plan, provide disclosure to reflect the plan or the specific amendments sought to be made to the plan and the reasons or rationale for any such amendments and detail any Policies that must be observed in order to permit approval of the plan or amendments to be made. This disclosure may be made under Item 36 of this Form.*

Item 11: Prior Sales

11.1 Prior Sales - For each class or series of securities of the Issuer issued or sold within the 12-month period before the date of the filing statement/information circular, or to be issued or sold, and for securities that are convertible or exchangeable into those classes or series of securities, set out the information required under section 13.1 of Form 41-101F1. If sales of the securities were made to Non-Arm's Length Parties of the Issuer, state this fact and detail the number of securities sold to such parties.

11.2 Trading Price and Volume - For each class or series of securities of the Issuer that are traded or quoted on a marketplace, set out the information required under section 13.2 of Form 41-101F1.

Item 12: Non-Arm's Length Transactions/Arm's Length Transactions

12.1 Non-Arm's Length Transactions

- (1) Describe any acquisition of assets (or services or provision of assets or services in any transaction, or in any proposed transaction, where the Issuer has obtained or proposes to obtain such assets or services from:
 - (a) any director or officer of the Issuer;
 - (b) a securityholder disclosed in the filing statement/information circular as a principal securityholder, either before or after giving effect to the Qualifying Transaction; or
 - (c) an Associate or Affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above.

- (2) Describe the form and value of the consideration and, if the Issuer has acquired any assets, the costs of the assets to the vendor of the same.

INSTRUCTIONS:

- (1) *Information with respect to executive compensation need not be disclosed in this section.*
- (2) *If any proposed Qualifying Transaction is a related party transaction that is subject to Exchange Policy 5.9 - Protection of Minority Security Holders in Special Transactions, include the relevant disclosure required to be included in the information circular as mandated by Policy 5.9 – Protection of Minority Security Holders in Special Transactions.*
- (3) *As an alternative to the disclosure in this section, provide a cross-reference to the Items of the filing statement/information circular where the required disclosure is made.*

12.2 Arm’s Length Transactions - If applicable, state that the proposed Qualifying Transaction is not a Non-Arm’s Length Qualifying Transaction.

Item 13: Legal Proceedings

13.1 Legal Proceedings - In relation to the Issuer, set out the information required under item 23 of Form 41-101F1.

Item 14: Auditor, Transfer Agents and Registrars

14.1 Auditor - In relation to the Issuer, set out the information required under section 26.1 of Form 41-101F1. State if action is to be taken at the meeting with respect to the appointment of a new auditor.

INSTRUCTION:

- (1) *If a change of auditors of the Issuer will occur, include the summary of the reporting package as prescribed by section 4.11 of NI 51-102 and include a copy of the reporting package as an Appendix to the information circular.*

14.2 Transfer Agent and Registrar - In relation to the Issuer, set out the information required under section 26.2 of Form 41-101F1.

Item 15: Material Contracts

15.1 Material Contracts - In relation to the Issuer, set out the information required under item 27 of Form 41-101F1.

INFORMATION CONCERNING THE TARGET COMPANY AND/OR OTHER SIGNIFICANT ASSETS

INSTRUCTIONS:

- (1) *Provide the disclosure required below for each Target Company.*
- (2) *If the proposed Qualifying Transaction involves the acquisition of Significant Assets (other than a Target Company), provide the disclosure under this Part, including Items 17 and 18, as applicable.*

Item 16: Corporate Structure

16.1 Name and Incorporation - In relation to the Target Company, set out the information required under section 4.1 of Form 41-101F1.

16.2 Intercorporate Relationships - In relation to the Target Company, set out the information required under section 4.2 of Form 41-101F1.

Item 17: Description of the Business

17.1 General - In relation to the Significant Assets, including any Target Company, set out the information required under item 5 of Form 41-101F1.

INSTRUCTION:

- (1) *Refer also to the Exchange's Appendix 3F Mining Standards Guidelines.*

17.2 Oil & Gas Operations - For each Target Company engaged in oil and gas activities (as defined in NI 51-101) that is not reporting reserve estimates in the filing statement/information circular in accordance with NI 51-101, but that has oil and gas exploration projects intended to search for hydrocarbons from either conventional sources in their natural states and original locations or non-conventional sources such as, but not limited to, oil sands, shale and coal, disclose the following:

1. Property Description and Location

- (a) location and basin/field name, accessibility, climate, local resources, infrastructure and physiography;
- (b) include property land maps showing interest held, location of wells drilled, if any, and the status of these wells (whether producing, shut-in, disposal, suspended or abandoned, and with oil and gas identified separately);
- (c) interest held (both gross and net), nature and extent of Target Company's title to, or interest in the property including surface rights, obligations to be met to retain property, expiry dates of leases, and any title issues to be dealt with. Disclose if a title opinion has been obtained. If so, disclose any material qualifications to the title opinion and the relationship, if any, to the Target Company of the individual providing the title opinion;
- (d) gross area of the property/lease, the assigned petroleum and natural gas rights with all depths, certain depths or formation; and
- (e) to the extent known, all legal and environmental legislation and actions to which the properties are subject.

2. Geology Description and Resource Estimates

- (a) summarize the petroleum geology in the area utilizing available geology, geophysics, and production data, that includes geological name, lithology, brief geological description of target formation, and depth of targeted zones;
- (b) proximity to production or any analog wells in production; and
- (c) size (range of pool or field sizes expected).

3. Exploration and Development

- (a) information as to results of all exploration activity including procedures and parameters related to surveys and investigations;
- (b) interpretations, conclusions and recommendations of the author of the Geological Reports including results and interpretations of field, analytical and testing data and other relevant data as well as a discussion of adequacy and reliability of data, and any areas of uncertainty;
- (c) information as to whether the surveys and investigations have been carried out by the Target Company or a contractor, identifying the contractor; and include a discussion as to the reliability or uncertainty of the data obtained in the program; and
- (d) a breakdown of costs incurred to date on exploration and development on the properties/leases including acquisition costs.

INSTRUCTIONS:

- (1) *The information required by this Item shall be derived from or supported by information obtained from Geological Reports prepared in accordance with NI 51-101 and the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") and more particularly in accordance with sections 10 and 11 of the COGE Handbook, and sections 5.9 and 5.10 of NI 51-101.*
- (2) *Where information is based on property reports, identify the report title, author, report, date and that they are available for inspection upon request.*
- (3) *If resource estimates are reported and/or fair market values are used under this Item, estimation methodology and disclosure must be made in accordance with section 10 of the COGE Handbook and sections 5.9 and 5.10 of NI 51-101 and supporting material disclosure should include parameters and assumptions used.*
- (4) *Sufficient information must be included in this Item, so as to provide a securityholder with an opportunity to evaluate the geological merits and/or economic prospects of the properties without having to refer to a Geological Report.*

17.3 Significant Acquisitions - In relation to the Target Company, set out the narrative information required under item 35 of Form 41-101F1. See Item 46 of this Form regarding the related financial statement disclosure requirements.

INSTRUCTION:

- (1) *The significance of an acquisition should be measured against the Target Company, not the Issuer.*

Item 18: Management's Discussion and Analysis

18.1 Management's Discussion and Analysis - Provide disclosure pursuant to item 8 of Form 41-101F1 for the financial statements of the Target Company included in the filing statement/information circular.

INSTRUCTION:

(1) *The information required to be included by this Item may be incorporated by reference to another document in accordance with General Instruction (5).*

Item 19: Description of the Securities

19.1 Securities - If securities of the Target Company are being distributed in connection with the Qualifying Transaction, set out the information required under item 10 of Form 41-101F1.

Item 20: Consolidated Capitalization

20.1 Consolidated Capitalization - In relation to the Target Company, set out the information required under item 11 of Form 41-101F1.

Item 21: Prior Sales

21.1 Prior Sales - For each class or series of securities of the Target Company issued or sold within the 12-month period before the date of the filing statement/information circular, or to be issued or sold, and for securities that are convertible or exchangeable into those classes or series of securities, set out the information required under section 13.1 of Form 41-101F1. If sales of the securities were made to Non-Arm's Length Parties of the Target Company, state this fact and detail the number of securities sold to such parties.

21.2 Trading Price and Volume - For each class or series of securities of the Target Company that are traded or quoted on a marketplace, set out the information required under section 13.2 of Form 41-101F1.

Item 22: Executive Compensation

22.1 Executive Compensation - In relation to the Target Company, set out the information required under item 17 of Form 41-101F1.

Item 23: Non-Arm's Length Transactions

23.1 Non-Arm's Length Transactions - Describe any acquisition of assets or services or provision of assets or services in any transaction within the five years before the date of the filing statement/information circular, or in any proposed transaction, where the Target Company or any subsidiary of the Target Company has obtained such assets or services from:

- (a) any director, officer or promoter of the Target Company;
- (b) a securityholder disclosed in the filing statement/information circular as a principal securityholder, either before or after giving effect to the Qualifying Transaction; or
- (c) an Associate or Affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above.

Describe the form and value of the consideration and, if the Target Company has acquired any assets, the costs of the assets to the vendor of the same.

INSTRUCTIONS:

- (1) *Information with respect to the executive compensation need not be disclosed in this section.*
- (2) *Any debt settlement made by a Target Company to any of the individuals listed in paragraphs (a), (b) or (c) must be disclosed in this section.*
- (3) *As an alternative to the disclosure in this section, provide a cross-reference to the items of the filing statement/information circular where the required disclosure is made.*

Item 24: Legal Proceedings

24.1 Legal Proceedings - In relation to the Target Company, set out the information required under item 23 of Form 41-101F1.

Item 25: Material Contracts

25.1 Material Contracts - In relation to the Target Company, set out the information required under item 27 of Form 41-101F1.

INFORMATION CONCERNING THE RESULTING ISSUER

Item 26: Corporate Structure

- 26.1 Name and Incorporation** - In relation to the Resulting Issuer, set out the information required under section 4.1 of Form 41-101F1, and if material, a summary of the differences with respect to securityholder rights and remedies between the laws under which the Issuer is governed and the laws which will govern the Resulting Issuer after giving effect to the Qualifying Transaction.
- 26.2 Intercorporate Relationships** - In relation to the Resulting Issuer, set out the information required under section 4.2 of Form 41-101F1.

Item 27: Description of the Business

- 27.1 Description of the Business** - Include the following:
- 1. Business Objectives and Milestones** - In relation to the Resulting Issuer, set out the information required under section 6.8 of Form 41-101F1 in relation to the funds available described under Item 30 of this Form.
 - 2. Exploration and Development for Resulting Issuers with Mineral Projects** - Disclose, for each property material to the Resulting Issuer, the contemplated exploration and development activities, to the extent they are material.
 - 3. Exploration and Development by Resulting Issuers with Oil and Gas Operations** - Describe the Resulting Issuer's contemplated exploration or development activities, to the extent they are material.

INSTRUCTIONS:

- (1) *The description of the Resulting Issuer's business objectives provided under paragraph 1 above should be more general than the description of the available funds required by Item 30. Available funds are generally expended in the course of achieving a broader objective.*
- (2) *The Resulting Issuer's stated business objectives must not include any prospective financial information with respect to sales, whether expressed in terms of dollars or units, unless the information is derived from a financial forecast or financial projection prepared in accordance with Parts 4A and 4B of NI 51-102 and is included in the filing statement/information circular.*
- (3) *Where sales performance is considered to be an important objective, it must be stated in general terms. For example, the Resulting Issuer may state that it anticipates generating sufficient cash flow from sales to pay its operating costs for a specified period following completion of the Qualifying Transaction.*
- (4) *For the purposes of paragraph 1 above:*
 - (a) *examples of significant events would include hiring of key personnel, establishing technical feasibility testing results, making major capital acquisitions, obtaining necessary regulatory approvals, implementing marketing plans and strategies and commencing production and sales.*
 - (b) *provide appropriate cross-references to related items to paragraph(s) found elsewhere in the filing statement/information circular.*
- (5) *For the purposes of paragraph 2 above, disclosure regarding mineral exploration and development on material properties is required to comply with NI 43-101, including the use of the appropriate terminology to describe mineral reserves and mineral resources.*

- (6) For the purposes of paragraph 3 above, disclosure regarding oil and gas exploration on material properties is required to comply with NI 51-101 and the COGE Handbook, including the use of the appropriate terminology to describe resources and reserves, as well as Item 17.2 of this Form, if applicable.
- (7) Disclosure is required for each property material to the Resulting Issuer. Materiality is to be determined in the context of the Resulting Issuer's overall business and financial condition taking into account quantitative and qualitative factors, assessed in respect of the Resulting Issuer as a whole. See the Companion Policy 43-101CP to National Instrument 43-101 Standards of Disclosure for Mineral Projects for guidance in determining materiality.
- (8) Provide a cross reference to the disclosure required by Item 17 of this Form.

Item 28: Description of the Securities

28.1 Securities - In relation to the Resulting Issuer, set out the information required under item 10 of Form 41-101F1 to describe the securities of the Resulting Issuer after giving effect to the Qualifying Transaction.

Item 29: Pro Forma Consolidated Capitalization

29.1 Pro Forma Consolidated Capitalization - Describe the pro forma share and loan capital of the Resulting Issuer, on a consolidated basis including dollar amounts, based on the pro forma consolidated financial statements contained in the filing statement/information circular after giving effect to the Qualifying Transaction. Provide the information in accordance with the table below.

TABLE

Column 1	Column 2	Column 3
Designation of Security	Amount authorized or to be authorized	Amount outstanding after giving effect to the Qualifying Transaction

INSTRUCTIONS:

- (1) If financing is being effected in conjunction with the Qualifying Transaction, include in the above table as another column, the amount outstanding as of a specific date within 30 days of the filing statement/information circular after giving effect to the Qualifying Transaction and assuming minimum and maximum subscriptions pursuant to that financing and provide the appropriate cross-reference to the disclosure relating to such financing or as a note to the table disclose the information required by Item 7.3 of this Form.
- (2) Set out in a note the number of securities subject to option and include a cross reference to Item 36, as applicable.
- (3) Set out in a note the deficit or changes in equity on a consolidated basis, based on the pro forma consolidated statement of financial positions contained in the filing statement/information circular.

29.2 Fully Diluted Share Capital - Provide in a table the number and percentage of securities of the Resulting Issuer proposed to be outstanding on a fully diluted basis after giving effect to the Qualifying Transaction and any other matters.

INSTRUCTIONS:

- (1) *The table may be presented separately or included in a table at Item 36 of this Form and should disclose both as a number and as a percentage all separate categories of securities on a fully diluted basis. For example, separate categories may include securities reserved as options to directors, officers and employees, securities reserved as options for agents, securities being issued pursuant to the Qualifying Transaction etc.*
- (2) *If there is a financing being effected in conjunction with the Qualifying Transaction and if there are minimum and maximum subscription levels, disclose the number of securities offered and the total on both a minimum and maximum basis.*
- (3) *A separate table shall be prepared for each class of securities of the Resulting Issuer that will be outstanding after giving effect to the Qualifying Transaction.*

Item 30: Available Funds and Principal Purposes

30.1 Funds Available - Disclose the total funds available to the Resulting Issuer upon Completion of the Qualifying Transaction and any concurrent financing and the following breakdown of those funds:

- (a) the estimated consolidated working capital (deficiency) as at the most recent month end before the date of the filing statement/information circular;
- (b) the net proceeds from the sale of any securities to be issued in connection with the Qualifying Transaction and any concurrent financing to be undertaken by the Issuer or the Target Company; and
- (c) the total other funds available to be used to achieve the principal purposes in Item 30.3 of this Form.

30.2 Dividends or Distributions - In relation to the Resulting Issuer, set out the information required under item 7 of Form 41-101F1.

30.3 Principal Purposes of Funds - Describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available disclosed under Item 30.1 of this Form will be used by the Resulting Issuer. If the Issuer or the Target Company is proceeding with a financing in conjunction with the completion of the Qualifying Transaction, which financing is subject to a minimum and maximum subscription, provide disclosure as to the order of priority for the use of funds for the minimum and maximum subscriptions.

INSTRUCTIONS:

- (1) *For the purposes of the disclosure in this Item the phrase “for general corporate purposes” will generally not be sufficient.*
- (2) *Include as a footnote to the table set forth under this Item or otherwise, details of any payments made or intended to be made to Non-Arm’s Length Parties.*
- (3) *Statements as to principal purposes for which the funds available are to be used must be cross-referenced to estimated costs to achieve the Resulting Issuer’s business objectives, as disclosed pursuant to Item 27 of this Form.*

(4) *Include disclosure in Item 30.3 of this Form as to estimated incidental costs relating to completing the Qualifying Transaction or any financing.*

Item 31: Principal Securityholders

31.1 Principal Securityholders - In relation to the Resulting Issuer, to the knowledge of the Issuer or Target Company, set out the information required under item 15 of Form 41-101F1.

Item 32: Directors, Officers and Promoters

32.1 Name, Occupation and Security Holdings - In relation to the Resulting Issuer, set out the information required under section 16.1 of Form 41-101F1. Also state the number and percentage of securities of each class of voting securities of the Resulting Issuer or any of its subsidiaries proposed to be beneficially owned, or controlled or directed, directly or indirectly, by each individual director and officer of the Resulting Issuer.

32.2 Management - In relation to each proposed member of management of the Resulting Issuer, set out the information required under section 16.4 of Form 41-101F1.

32.3 Promoters - For each person or company that will be a promoter of the Resulting Issuer, or has been within the two years immediately preceding the date of the filing statement/information circular, a promoter of the Issuer, Target Company, or a subsidiary of the Target Company, set out the information required under item 22 of Form 41-101F1.

32.4 Cease Trade Orders, Bankruptcies, Penalties or Sanctions - In relation to the Resulting Issuer, set out the information required under section 16.2 of Form 41-101F1.

32.5 Interests of Management and Others in Material Transactions - In relation to the Resulting Issuer, set out the information required under section 24.1 of Form 41-101F1.

32.6 Conflicts of Interest - In relation to the Resulting Issuer, set out the information required under section 16.3 of Form 41-101F1.

32.7 Other Reporting Issuer Experience - Where any proposed director, officer or promoter of the Resulting Issuer is, or within the five years prior to the date of the filing statement/information circular has been, a director, officer or promoter of any other reporting issuer, state the name of the individual, the names and jurisdictions of those reporting issuers, any market on which the securities of those reporting issuers were traded and the periods during which the individual has so acted. The following tabular format is recommended, with the bracketed information completed.

“The following table sets out the proposed directors, officers and promoters of the [Resulting Issuer] that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

<i>Name</i>	<i>Name and Jurisdiction of Reporting Issuer</i>	<i>Name of Trading Market</i>	<i>Position</i>	<i>From</i>	<i>To</i>
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32.8 **Audit Committee and Corporate Governance** - In relation to the Resulting Issuer, set out the information required under item 19 of Form 41-101F1.

Item 33: Executive Compensation

33.1 **Executive Compensation** - If known, disclose the compensation, in cash, securities or otherwise, anticipated to be paid by the Resulting Issuer for the 12 month period after giving effect to the Qualifying Transaction to its chief executive officer, chief financial officer and the most highly compensated officer of the Resulting Issuer (other than its chief executive officer and chief financial officer) whose total compensation is anticipated to be more than \$150,000 during that period.

Item 34: Indebtedness of Directors and Officers

34.1 **Indebtedness of Directors and Officers** - In relation to the Resulting Issuer, set out the information required under item 18 of Form 41-101F1.

Item 35: Investor Relations Arrangements

35.1 **Investor Relations Arrangements** - If any written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer, disclose the following information regarding such agreement or understanding:

- (a) the date of the agreement and the anticipated date that the services will commence;
- (b) the name, principal business and place of business of the person providing the services;
- (c) the background of the person providing the services;
- (d) whether the person will have:
 - (i) direct or indirect beneficial ownership of,
 - (ii) control or direction over, or
 - (iii) a combination of direct or indirect beneficial ownership of and of control or direction over,
securities of the Resulting Issuer;
- (e) whether the person has any right to acquire securities of the Resulting Issuer, either in full or partial compensation for services;
- (f) the consideration both monetary and non-monetary to be paid by the Resulting Issuer, including whether any payments will be made in advance of services being provided;

- (g) if the Resulting Issuer does not have sufficient funds to pay for the services, how the Resulting Issuer intends to pay for the services; and
- (h) the nature of the services to be provided, including the period during which the services will be provided.

INSTRUCTIONS:

- (1) *The disclosure in paragraphs (c) and (h) need only summarize the background and nature of services.*
- (2) *If there are no promotional or investor relations arrangements, so state.*

Item 36: Security Based Compensation

36.1 Security Based Compensation Plans - Describe the material terms of each security based compensation plan of the Resulting Issuer, including but not limited to any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units and any other incentive plan or portion of a plan under which awards are granted, including the information required by Item 10 of this Form in relation to any incentive stock option plan of the Resulting Issuer.

36.2 Options to Purchase Securities - In relation to the Resulting Issuer, set out the information required under item 12 of Form 41-101F1 for options to purchase securities.

36.3 Other Security Based Compensation - In relation to the Resulting Issuer, for any security based compensation other than as disclosed under Item 36.2 of this Form, set out the information that is analogous to the information required under item 12 of Form 41-101F1 for options to purchase securities.

Item 37: Escrow Securities

37.1 Escrow Securities

- (1) State to the knowledge of the Issuer or the Target Company as of the date of the filing statement/information circular, in substantially the following tabular form, the name of every holder of Escrow Securities of the Issuer and of every Principal of the Resulting Issuer, the number of securities of each class of securities of the Issuer held in escrow and, in the case of the Resulting Issuer, anticipated to be held in escrow after giving effect to the Qualifying Transaction, and the percentage that number represents of the outstanding securities of that class.

ESCROW SECURITIES

Name	Designation of class	Prior to Giving Effect to the Qualifying Transaction		After Giving Effect to the Qualifying Transaction	
		Number of securities held in escrow	Percentage of class	Number of securities to be held in escrow	Percentage of class

- (2) In a note to the table, or by way of narrative disclosure in this section, disclose the name of the depository or escrow agent, if any, and the date of and conditions governing the release of the securities from escrow.
- (3) If there is a financing being effected in conjunction with the Qualifying Transaction, include as a note to the table whether the information is being given before or after giving effect to that financing and if there are anticipated to be securities subject to escrow, upon completion of such financing, then disclose that fact either in the table or in the notes.

INSTRUCTIONS:

- (1) State all material conditions governing the transfer, release and cancellation of the escrow securities.
- (2) Disclose the beneficial owners of the escrow securities.

37.2 Other Resale Restrictions - Other than as disclosed under Item 37.1 of this Form, state to the knowledge of the Issuer or the Target Company as of the date of the filing statement/information circular, in substantially the following tabular form, the aggregate number of securities of each class of securities of the Resulting Issuer anticipated to be subject to restrictions on their resale after giving effect to the Qualifying Transaction, whether pursuant to the Exchange’s Seed Share Resale Restrictions or a voluntary pooling or similar arrangement, and the percentage that number represents of the outstanding securities of that class.

Designation of class	Aggregate number of securities subject to resale restrictions	Percentage of class	Expiry date of the resale restrictions

Item 38: Auditor(s), Transfer Agent(s) and Registrar(s)

38.1 Auditor(s), Transfer Agent(s) and Registrar(s) - In relation to the Resulting Issuer, set out the information required under item 26 of Form 41-101F1.

Item 39: Risk Factors

39.1 Risk Factors - Include a comprehensive description of the risk factors that a reasonable holder of securities in the Issuer would consider relevant and **in approving the Qualifying Transaction or** that would be material to a holder of securities in the Resulting Issuer after giving effect to the Qualifying Transaction. Set out the information required under item 21 of Form 41-101F1 and any other matter that in the opinion of the Issuer would be most likely to **influence a securityholder's decision to vote in favour of the Qualifying Transaction and/or that would** be material to a holder of securities in the Resulting Issuer.

GENERAL MATTERS

Item 40: Sponsorship and Agent Relationship

40.1 Sponsor - State the name and address of any Sponsor or agent involved in the Qualifying Transaction or in a concurrent financing disclosed under Item 7.3 of this Form. State the nature of any relationship or interest between the Sponsor or agent and the Issuer, including any security holdings in the Issuer of the Sponsor or agent.

40.2 Relationships - If the Issuer or Target Company has entered into any agreement with any registrant to provide sponsorship or corporate finance services, either now or in the future, disclose the following information regarding such services:

- (a) the date of the agreement;
- (b) the name of the registrant;
- (c) the consideration, both monetary and non-monetary, paid or to be paid; and
- (d) a summary of the nature of the services to be provided, including the period during which the services will be provided, activities to be carried out and, where market making services will be provided, whether the registrant will commit its own funds to the purchase of securities of the Issuer or the Target Company or the Resulting Issuer or whether the registrant will act as agent for others to do so.

Item 41: Experts

41.1 Experts - Set out the information required under item 28 of Form 41-101F1 in relation to all reports, valuations, statements and opinions referred to in the filing statement/information circular.

41.2 Expertised Reports - In the event that there is any expertised report prepared to support the recommendation(s) of the board of directors of the Issuer (i.e. an independent valuation, fairness opinion, appraisal etc.), include a comprehensive summary of the report which provides sufficient detail to allow the securityholders of the Issuer to understand the principal judgments and principal underlying reasoning of the expert so as to form a reasoned judgment of the opinion or conclusion set forth in the report. In addition, the Issuer shall ensure that the summary:

- (a) discloses
 - (i) the name of the author;
 - (ii) the date of the report, and
 - (iii) any distinctive material benefit that might accrue to a Non-Arm's Length Party of the Issuer as a consequence of the Qualifying Transaction, including the earlier use of available tax losses, lower income taxes, reduce costs or increase revenues;
- (b) in the case of a valuation report, if the report differs materially from a prior valuation report obtained within the last 12 months, explain the differences between the two valuations or, if it is not practicable to do so, the reasons why it is not practicable to do so; and
- (c) indicates an address where and the time period during which, a copy of the report is available for inspection.

INSTRUCTION:

(1) *If the required disclosure is provided for elsewhere in the filing statement/information circular a cross-reference may be made to the applicable Item(s) in this Form.*

Item 42: Other Material Facts

42.1 Other Material Facts - Give particulars of any material facts about the Issuer, the Target Company, the Resulting Issuer or the Qualifying Transaction that are not disclosed under any other Items and are necessary in order for the filing statement/information circular to contain full, true and plain disclosure of all material facts relating to the Issuer, the Target Company and the Resulting Issuer, assuming Completion of the Qualifying Transaction.

Item 43: Board Approval

43.1 Board Approval - Provide confirmation that the board of directors of the Issuer has approved the filing statement/delivery of the information circular to securityholders.

FINANCIAL STATEMENT REQUIREMENTS

Item 44: Financial Statements of the Issuer

44.1 Financial Statements of the Issuer - In relation to the Issuer, include the annual and interim financial statements required under item 32 of Form 41-101F1.

44.2 Audit Requirement for Financial Statements of the Issuer - Unless permitted under item 32 of Form 41-101F1, annual financial statements of the Issuer included in the filing statement/information circular must be audited in accordance with National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*.

Item 45: Financial Statements of each Target Company

45.1 Financial Statements of each Target Company - For the purposes of Items 45 to 47, the term “Target Company” includes any entity or combination of assets that is the subject of the Qualifying Transaction. If the Target Company is a business (as this term is used in any General Prospectus Rules), financial statements of the Target Company are required by this Form. In relation to the Target Company, include the annual and interim financial statements required under item 32 of Form 41-101F1.

INSTRUCTIONS:

- (1) *In most cases, the Target Company is a business. Issuers concluding a Target Company is not a business should consider a pre-filing consultation with the Exchange on the conclusion with fulsome analysis in respect of IFRS 3 and section 8.1(4) of Companion Policy 51-102CP to NI 51-102. Issuers are generally encouraged to consult with the Exchange on a pre-filing basis to ascertain what financial statements should be included in the filing statement/information circular.*
- (2) *If the Resulting Issuer intends to be listed on the TSX, additional financial statement requirements may apply.*

45.2 Audit Requirement for Financial Statements of the Target Company - Unless permitted under item 32 of Form 41-101F1, annual financial statements of the Target Company included in the filing statement/information circular must be audited in accordance with National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*.

INSTRUCTIONS:

- (1) *Any audit report containing a modified opinion is a significant filing deficiency. Issuers should consult on a pre-filing basis with the Exchange in respect of any audit report containing a modified opinion.*
- (2) *There are limited cases where the Exchange may permit the inclusion of an audit report containing a modified opinion.*

Item 46: Significant Acquisitions by a Target Company

46.1 Significant Acquisitions by a Target Company - In relation to a significant acquisition by the Target Company, include the annual and interim financial statements required under item 35 of Form 41-101F1. See Item 17.3 of this Form regarding the related narrative information disclosure requirements.

Item 47: Financial Statements of the Resulting Issuer

47.1 Pro Forma Financial Statements for the Resulting Issuer

- (1) Subject to Item 47.2, the following *pro forma* financial statements of the Issuer should be included in the filing statement/information circular:
1. A *pro forma* statement of financial position of the Issuer prepared as at the date of the Issuer's most recent statement of financial position included in the filing statement/information circular to give effect to, as if they had taken place as at the date of the *pro forma* statement of financial position, the acquisition of the Target Company.
 2. A *pro forma* statement of comprehensive income of the Issuer prepared to give effect to the acquisition of the Target Company for each of the financial periods referred to in the following paragraphs, as if it had taken place at the beginning of the most recently completed financial year of the Issuer for which audited financial statements are included in the filing statement/information circular:
 - (a) the most recently completed financial year of the Issuer for which audited financial statements are included in the filing statement/information circular; and
 - (b) the most recently completed interim period of the Issuer for which financial statements are included in the filing statement/information circular.
- (2) The Issuer shall include in the *pro forma* financial statements a description of the underlying assumptions on which the *pro forma* financial statements are prepared, cross-referenced to each related *pro forma* adjustment.
- (3) If both of the following conditions are satisfied:
- (a) the *pro forma* statement of comprehensive income is not prepared using the statement of comprehensive income of the business for the pre-acquisition period, and
 - (b) the financial year end of the Target Company differs from the Issuer's year end by more than 93 days,
- then despite paragraph 2 of subsection (1), for purposes of preparing the *pro forma* statement of comprehensive income, the statement of comprehensive income of the Target Company shall be for a period of twelve consecutive months ending no more than 93 days from the Issuer's year end.
- (4) Subject to paragraph (3) above, if the *pro forma* statement of comprehensive income referred to in clause (1)2(a) above includes results of the Target Company which are also included in the *pro forma* statement of comprehensive income referred to in clause (1)2(a), there shall be disclosed in a note to the *pro forma* financial statements of the revenue, expenses, gross profit and income from continuing operations included in each *pro forma* statement of comprehensive income for the overlapping period.

47.2 Exception for Pro Forma Statements of Comprehensive Income - Despite Item 47.1, *pro forma* statements of comprehensive income are not required to be included in a filing statement/information circular where all of the following conditions are met:

- (a) The Issuer has no operations other than interest income and costs of pursuing a Qualifying Transaction;
- (b) The Target Company has not made a significant acquisition or disposition and does not propose to make a significant acquisition or disposition requiring disclosure under Item 46; and
- (c) The Issuer discloses in the notes to its *pro forma* statement of financial position, a continuity of its share capital on a *pro forma* basis giving effect to all the transactions recorded on the *pro forma* statement of financial position.

INSTRUCTIONS:

- (1) *In most cases, pro forma statements of comprehensive income combining the results of operations of the Target Company with the Issuer combines the results of a going concern with a shell company have little value.*
- (2) *Issuers should carefully consider the Target Company's history before concluding that pro forma statements of comprehensive income should not be included in the filing statement/information circular. Issuers are encouraged to consult with the Exchange on a pre-filing basis with respect to this exception.*

CERTIFICATES

Item 48: Certificates

48.1 Certificate of the Issuer - The filing statement/information circular must contain a certificate in the following form with the bracketed information completed, signed by the chief executive officer, the chief financial officer, and, on behalf of the board of directors, any two directors of the Issuer, other than the foregoing, duly authorized to sign:

“The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of [insert name of the Issuer] assuming Completion of the Qualifying Transaction.”

48.2 Certificate of the Target Company - Where the proposed Qualifying Transaction involves the acquisition of a Target Company, the filing statement/information circular must contain a certificate in the following form with the bracketed information completed, signed by the chief executive officer, chief financial officer, and, on behalf of the board of directors, any two directors of the Target Company, other than the foregoing, duly authorized to sign:

“The foregoing, as it relates to [name of Target Company] constitutes full, true and plain disclosure of all material facts relating to the securities of [name of Target Company].”

INSTRUCTIONS:

- (1) *Where a board of directors consists of only three directors, two of whom are the chief executive officer and the chief financial officer, the certificate may be signed by all directors of the board.*
- (2) *Where the Exchange is satisfied upon evidence or on submission that either, or both of, the chief executive officer or chief financial officer of the Issuer or Target Company is for adequate cause not available to sign a certificate in the filing statement/information circular, the certificate may, with the consent of the Exchange, be signed by any other responsible officer or officers of the Issuer or Target Company in lieu of either, or both of, the chief executive officer or chief financial officer.*
- (3) *The Exchange will generally require the Certificate of the Issuer and the Certificate of the Target Company to be executed by those officers or directors who will be officers or directors of the Resulting Issuer.*

48.3 Certificate of the Sponsor - If there is a Sponsor involved in relation to the Qualifying Transaction, include a certificate in the following form signed on behalf of the Sponsor by an officer of the Sponsor duly authorized to sign:

“To the best of our information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to [insert name of the Issuer] assuming Completion of the Qualifying Transaction.”

Item 49: Acknowledgement - Personal Information

49.1 Acknowledgement - The following acknowledgement may be included in the filing statement/information circular but must, in any event, be filed with the Exchange on the date of filing of the final filing statement/information circular. The acknowledgement must be signed by at least one director or officer of the Issuer, duly authorized to sign.

“Personal Information” means any information about an identifiable individual, and includes information contained in any Items in the attached filing statement/information circular that are analogous to Items 4.2, 11, 12.1, 15, 17.3, 18, 22, 23, 25, 30.3, 31, 32, 33, 34, 35, 36, 37, 40 and 41 of [this Form], as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to [this Form]; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

APPENDIX 1

FORM 3B1 - INFORMATION REQUIRED IN AN INFORMATION CIRCULAR FOR A QUALIFYING TRANSACTION/FORM 3B2 INFORMATION REQUIRED IN A FILING STATEMENT FOR A QUALIFYING TRANSACTION

Definitions

“**Affiliate**” means a Company that is affiliated with another Company as described below.

A Company is an “Affiliate” of another Company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A Company is “controlled” by a Person if:

- (a) Voting Shares of the Company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the Voting Shares, if voted, entitle the Person to elect a majority of the directors of the Company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.

“**Associate**” when used to indicate a relationship with a Person, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and
- (d) in the case of a Person who is an individual
 - (i) that Person’s spouse or child, or
 - (ii) any relative of that Person or of his spouse who has the same residence as that Person;

but

- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

“**Company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Completion of the Qualifying Transaction**” means the date of the Final QT Exchange Bulletin issued by the Exchange.

“**Control Person**” means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding Voting Shares of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

“**CPC**” or “**Capital Pool Company**” means a corporation or trust:

- (a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the Commissions in compliance with Policy 2.4 - *Capital Pool Companies*; and
- (b) in regard to which the Final QT Exchange Bulletin has not yet been issued.

“**Final QT Exchange Bulletin**” means the bulletin issued by the Exchange following the closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.

“**Form 41-101F1**” means Form 41-101F1 *Information Required in a Prospectus* of NI 41-101 or any successor form.

“**Form 51-101F1**” means Form 51-101F1 *Statement of Reserves Data and Other Oil and Gas Information* of NI 51-101 or any successor form.

“**Form 51-102F1**” means Form 51-102F1 *Management’s Discussion & Analysis* of NI 51-102 or any successor form.

“**Form 51-102F2**” means Form 51-102F2 *Annual Information Form* of NI 51-102 or any successor form.

“**Form 51-102F6V**” means Form 51-102F6V *Statement of Executive Compensation - Venture Issuers* of NI 51-102 or any successor form.

“**Insider**” if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of a Company that is an Insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the issuer; or
- (d) the Issuer itself if it holds any of its own securities.

“Majority of the Minority Approval” means the approval by the majority of the votes cast at a meeting of Shareholders of the CPC, or by the written consent of Shareholders holding more than 50% of the issued Listed Shares of the CPC, provided that the votes attached to Listed Shares of the CPC held by the following Persons and their Associates and Affiliates are excluded from the calculation of any such approval or written consent:

- (a) Non-Arm’s Length Parties to the CPC;
- (b) Non-Arm’s Length Parties to the Qualifying Transaction; and
- (c) in the case of a Related Party Transaction:
 - (i) if a CPC holds its own shares, the CPC, and
 - (ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction.

“NI 41-101” means National Instrument 41-101 *General Prospectus Requirements* or any successor instrument(s).

“NI 43-101” means National Instrument 43-101 *Standards of Disclosure for Mineral Projects* or any successor instrument(s).

“NI 51-101” means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* or any successor instrument(s).

“NI 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations* or any successor instrument(s).

“NI 52-110” means National Instrument 52-110 *Audit Committees* or any successor instrument(s).

“Non-Arm’s Length Party” means:

- (a) in relation to a Company:
 - (i) a Promoter, officer, director, other Insider or Control Person of that Company and any Associates or Affiliates of any of such Persons; or
 - (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the Company; and
- (b) in relation to an individual, any Associate of the individual or any Company of which the individual is a Promoter, officer, director, Insider or Control Person.

“Non-Arm’s Length Parties to the Qualifying Transaction” means the Vendor(s), any Target Company(ies) and includes, in relation to Significant Assets or Target Company(ies), the Non-Arm’s Length Parties of the Vendor(s), the Non-Arm’s Length Parties of any Target Company(ies) and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.

“Non-Arm’s Length Qualifying Transaction” means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

“Person” means a Company or individual.

“Qualifying Transaction” means a transaction where the CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another Company or by other means.

“Resulting Issuer” means the Issuer that was formerly a CPC, which exists upon issuance of the Final QT Exchange Bulletin.

“Significant Assets” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions would result in the CPC meeting the Initial Listing Requirements of the Exchange.

“Sponsor” has the meaning specified in Exchange Policy 1.1 - *Interpretation*.

“Target Company” means a Company to be acquired by the CPC as its Significant Assets pursuant to a Qualifying Transaction.

“Vendor(s)” means one or all of the beneficial owners of the Significant Assets and/or Target Company.

“Voting Share” means a security of an issuer that:

- (a) is not a debt security; and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

**FORM 3B1 - INFORMATION CIRCULAR FOR A QUALIFYING TRANSACTION/
FORM 3B2 - FILING STATEMENT FOR A QUALIFYING TRANSACTION**

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