

FORM 21 TRANSACTION DISCLOSURE FORM

This form has been designed to assist the Exchange in:

- (a) its preliminary assessment of the proposed transaction;
- (b) identifying material issues for its clients as soon as possible; and
- (c) determining whether a sponsorship waiver is appropriate.

In order to maximize the benefits of this form, issuers should fill out the form as completely as possible. The *italicized* material offers guidance in filling out the form.

Representations in this document will be reviewed for consistency and must be adequately supported in the listing application.

1. Parties Involved

Instructions: Please ensure all information is complete as the parties disclosed below will form the working group for any file related correspondence.

| | Company Name, Address & Contact | Phone | E-mail | | Company Name & Contact | Phone | E-mail |
|--|---------------------------------|-------|--------|--|------------------------|-------|--------|
| Public Company | | | | Private Company | | | |
| Counsel | | | | Counsel | | | |
| Auditors | | | | Auditors | | | |
| Other Significant Advisors, Bankers etc. | | | | Other Significant Advisors, Bankers etc. | | | |
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2. Transaction

Instructions: Please complete chart below and provide a brief narrative overview of the transaction.

| Type of Transaction | Proposed Classification | Tier | Date Listed (remaining columns N/A for IPO's) | Current Listing | Current Classification | Tier/ Board | Suspended (Y/N) | Recent trading price |
|-------------------------------|--|------------|---|----------------------------------|--|-----------------|-----------------|----------------------|
| <i>IPO, CPC, QT, RTO, COB</i> | <i>CPC, Mining, Oil & Gas, Real Estate/Investment, Industrial, R&D</i> | <i>1,2</i> | | <i>TSX – Venture, TSX, Other</i> | <i>CPC, Mining, Oil & Gas, Real Estate/Investment, Industrial, R&D</i> | <i>1,2, NEX</i> | | |

3. Business to be listed and Initial Listing Requirements– (attach financial statements of all relevant entities)

i). Brief description of Business

Instructions: Provide brief description of the nature of business.

For resource companies, omit mention of properties on which no exploration is planned. Give a brief description of the company's properties, stage of development, costs of exploration to date, intended work program costs, overall costs and the identities of the vendors and/or partners.

For non- resource companies, omit discussion of inactive or discontinued business. Describe the business, the identity of the vendor of the property (if recently acquired) and the use of proceeds of the Company's pro-forma treasury balance.

If the information is contained in a disclosure document, you may reference the appropriate pages in that document.

ii). Financial summary of the business to be listed– in thousands – 000's

| | Interim | Foreign % | Year end | Foreign % | Year end | Foreign % |
|-----------------------------------|---------|-----------|----------|-----------|----------|-----------|
| Revenues | | | | | | |
| Deferred or R&D Expenditures | | | | | | |
| General & Administrative Expenses | | | | | | |
| Net Income | | | | | | |
| Working Capital | | | | | | |
| Total Assets | | | | | | |
| Share Capital | | | | | | |
| Retained Earnings (Deficit) | | | | | | |
| Cash flow from operations | | | | | | |
| A, CL, MP | | | | | | |

A - audited

CL – comfort letter by independent accountants (review engagement level of assurance)

MP - management prepared with or without compilation by independent accountant

iii). List any Initial Listing Requirements that will not be clearly met upon completions of all associated financings and transactions.

iv). List ANY other policy issues company will be requesting a waiver from.

4. Principals (attach Personal Information Forms – Form 2A) and disclose Shareholders holding 5% or more of the applicable company.

Identify the Insiders of each corporate shareholder by way of footnote.

For public company associations, include copies of audited financial statements for the last 2 years and the most recent interim financial statements. If the public company is suspended from trading, please indicate what is being done to rectify the situation.

Public Company

| Name, age, residence | Position or Relation to current Company | Shareholding Pre-transaction | % | Position or Relation to proposed Company | Shareholding Post-transaction | % | Other public company associations (Company name, dates, position, where listed) |
|----------------------|---|------------------------------|---|--|-------------------------------|---|---|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

| | Number of Holders | % |
|---|-------------------|-----|
| Public | | |
| Total stock held in foreign jurisdiction | | |
| Total stock held by corporate entities (not including management) | | |
| Total | | 100 |

Private Company

| Name, age, residence | Position or Relation to current Company | Shareholding Pre-transaction | % | Position or Relation to proposed Company | Shareholding Post-transaction | % | Other public company associations (Company name, dates, position, Where listed) |
|----------------------|---|------------------------------|---|--|-------------------------------|---|---|
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| | Number of Holders | % |
|---|-------------------|-----|
| Public | | |
| Total stock held in foreign jurisdiction | | |
| Total stock held by corporate entities (not including management) | | |
| Total | | 100 |

5. Share/Security Structure

| Public Company | Consideration | # of shares | Private Company (8) | Consideration | # of shares |
|---|---------------|-------------|-----------------------------|---------------|-------------|
| Public Shareholders | | | Non - Insiders | | |
| Officers & directors | | | Officers & directors | | |
| Issued for cash | | | Issued for cash | | |
| Issued for debt | | | Issued for debt | | |
| Issued for assets | | | Issued for assets | | |
| Other Insiders | | | Other Insiders | | |
| Issued for cash | | | Issued for cash | | |
| Issued for debt | | | Issued for debt | | |
| Issued for assets | | | Issued for assets | | |
| Other (1) | | | Other (1) | | |
| | | | Proposed financing | | |
| Pre – transaction Total (2) | | | Pre – transaction Total (2) | | |
| Consolidation | | | | | |
| Adjusted total | | | | | |
| Shares to be issued for private company or assets (4) | | | | | |
| Financing (3) | | | | | |
| Finder's fee | | | | | |
| | | | | | |
| | | | | | |
| Reserved shares | | | Reserved shares | | |
| - commitments (5) | | | -commitments (5) | | |
| -conv. deb's. (6) | | | -conv. deb's. (6) | | |
| -warrants (6) | | | -warrants (6) | | |
| -options (6) | | | -options (6) | | |
| Reserved shares, if any, for acquisition of private company or assets (7) | | | Fully Diluted – Total | | |
| Post – Transaction Fully Diluted Total | | | | | |

(l) - Insider

In order to allow us to expedite assessment of your application, please:

- (1) Describe other share issuances here. If shares were issued for debt, assets, finder's fee, or commissions, or to officers, directors or other insiders, please provide a breakdown of the transactions including the date, type of transaction, consideration, number of shares and the name of the individual or entity.
- (2) Indicate current number of shares that are escrowed and the terms of the escrow agreement.
- (3) Indicate if financing will be brokered or non-brokered. If brokered, indicate the broker/agent, if known, and if financing is by way of an Offering Memorandum. Indicate the level of anticipated participation by insiders of the public or private company.

- (4) (i) Indicate the basis on which the share purchase or share exchange with the private company was determined, including the date and author of any recent independent valuation, geological or engineering report. Indicate if a copy of the report is being submitted with this form; if so, indicate if there are any material caveats or conditions in the report. If a report is not being submitted now, will a report be submitted in due course? If a report is being or will be submitted, indicate if the author has previously completed reports, for any entity, that were accepted by any Securities Commission or Stock Exchange.
- (ii) Indicate your understanding of the escrow requirements for the shares currently outstanding or reserved in the public company and to be issued and reserved pursuant to the acquisition.
- (5) Please specify similar to (1) above.
- (6) Indicate when the securities were issued, to whom the securities were issued and relationship (if any) to the public or private company, collateral and interest rate on the convertible debentures, and repayment or conversion/exercise terms including the price per share and expiry/due date.
- (7) Indicate relative to (5) and (6) for the private company and explain the post – acquisition reserved share exchange ratios, share prices and expiry terms.
- (8) Provide a list for all shareholders with the following information: (a) Date shares were issued; (b) Name of shareholder and municipality of residence; (c) Relationship, if any, to insiders of the public or private company; (d) Number of shares; (e) Price per share; (f) Form of consideration, e.g. cash, services, debt or assets; (g) Reserved shares for issuance with information similar as above, plus the nature of the transaction and the expiry date of the reserved shares.

6. Due Diligence

Instructions: Discuss partnerships, financing arrangements, institutional financings or other transactions that evidence due diligence.

| Source | Contact | Details including date, summary of work performed in particular whether a site visit was completed and results. |
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7. Material Contracts

Instructions: List each material contract including the information below. Indicate the following for each material contract by way of footnotes in this area the following: a.) Date of any title opinion on ownership and enforceability; b.) Who performed the title opinion and qualifications of that individual or entity c.) Reason for the title opinion, e.g. For a Securities Commission or Stock Exchange; d.) Whether the title opinion is attached.

| Contract title | Date | Counter-parties | Material Terms |
|----------------|------|-----------------|----------------|
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8. Intellectual Property and Title

Instructions: Confirm that the Company has title to all its major assets describe the details regarding the enforceability of title. Describe any unusual features or current disputes.

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9. Contingencies and Lawsuits

| Action or source of contingency | Description of claim or contingency, amount of claim, estimated exposure and likelihood of success. |
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10. Other matters

Are there any issues related to the business, industry, operations or geographic location that may be perceived by the public to have a negative impact on the TSX Venture Exchange and its current Companies. Examples – internet gambling, industries with unclear laws, transactions in unregulated foreign jurisdictions, significant transactions with unknown entities, significant amount of cash transactions.

11. Disclosure

Please indicate who will be reviewing the Company disclosure and what due diligence will be undertaken in respect of that disclosure. Examples include Company's counsel, auditors, financiers or other technical experts.