

(2) An entity is exempt from the early warning requirements and the obligation to report under Part 4 in connection with a decrease in the securityholding percentage of the entity in a class of securities of a reporting issuer that arises without any action being taken by the entity and solely from an increase in outstanding securities that occurs as a result of treasury issuances of securities by the reporting issuer.”

3. Appendix A of the Regulation is amended:

(a) by replacing “1fiii” next to the jurisdiction of Alberta and after the word “Clause” with “1piii”;

(b) by replacing the words “Paragraph *b* of the definition of “primary distribution to the public” contained in section 1 of the Security Frauds Prevention Act” next to the jurisdiction of New Brunswick with the words “Paragraph *c* of the definition of “distribution” contained in subsection 1(1) of the Securities Act”;

(c) by adding the following after the jurisdiction of Ontario:

“Quebec Subparagraph (9) of the definition of “distribution” provided for in section 5 of the Securities Act (R.S.Q., c. V-1.1)”.

4. Appendix B of the Regulation is amended:

(a) by replacing “141(1), 141(2), and 141(3)” next to the jurisdiction of Alberta and after the word “Subsections” with “176(1), 176(2) and 176(3)”;

(b) by adding the following after the jurisdiction of Manitoba:

“New Brunswick Subsections 126(1) and (2) of the Securities Act (New Brunswick)”.

5. This Regulation comes into force on September 14, 2005.

7069

M.O., 2005-21

Order number V-1.1-2005-21 of the Minister of Finance dated 12 August 2005

Securities Act
(R.S.Q., c. V-1.1, c. 37; 2004, c. 37)

CONCERNING the Regulation 45-102 respecting resale of securities

WHEREAS the Securities Act (R.S.Q., c. V-1.1) has been amended by the chapter 37 of the statutes of 2004;

WHEREAS subparagraphs 1, 3, 4, 11, and 34 of section 331.1 of the Securities Act stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin of the Authority, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS sections 691 and 696 of chapter 45 of the statutes of 2002 stipulate, in particular, that sections 331.1 and 331.2 of the Securities Act are amended by replacing “Commission” wherever it appears by “Agency”, and making the necessary modifications;

WHEREAS sections 37 and 38 of chapter 37 of the statutes of 2004 stipulate, in particular, that sections 331.1 and 331.2 of the Securities Act are amended by replacing “Agency” wherever it appears by “Authority”;

WHEREAS the draft Regulation 45-102 respecting resale of securities was published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 1, No. 46 of December 17, 2004;

WHEREAS on August 11, 2005, by the decision No. 2005-PDG-0260, the Authority made the Regulation 45-102 respecting resale of securities;

WHEREAS there is cause to approve this regulation without amendment;

CONSEQUENTLY, the Minister of Finance approves without amendment the Regulation 45-102 respecting resale of securities appended hereto.

August 12, 2005

MICHEL AUDET,
Minister of Finance

Regulation 45-102 respecting resale of securities

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1), (3), (4), (11) and (34); 2004, c. 37)

PART 1 DEFINITIONS

1.1 Definitions

In this Regulation

“control distribution” means a trade described in the provisions of securities legislation listed in Appendix A;

“convertible security” means a security of an issuer that is convertible into, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a security of the same issuer;

“distribution date” means

(a) in respect of a trade that is not a control distribution, the date the security that is the subject of the trade was distributed in reliance on an exemption from the prospectus requirement by the issuer or, in the case of a control distribution, by the selling security holder,

(b) in respect of a trade that is a control distribution, the date the security that is the subject of the trade was acquired by the selling security holder,

(c) in respect of a trade of an underlying security that is not a control distribution, the date the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed in reliance on an exemption from the prospectus requirement by the issuer or, in the case of a control distribution, by the selling security holder, or

(d) in respect of a trade of an underlying security that is a control distribution, the date the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was acquired by the selling security holder;

“exchangeable security” means a security of an issuer that is exchangeable for, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a security of another issuer;

“multiple convertible security” means a security of an issuer that is convertible into, or exchangeable for, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a convertible security, an exchangeable security or another multiple convertible security;

“private company” has the same meaning as in securities legislation;

“private issuer” means, as the context requires,

(a) a private issuer as defined in securities legislation, excluding paragraphs b and c;

(b) a private issuer as defined in Regulation 45-106 respecting Prospectus and Registration Exemptions approved by Ministerial Order No. 2005-20 dated August 12, 2005, or

(c) in Ontario for purposes of the definition of private issuer as it existed in 1998 Ontario Securities Commission Rule 45-501, Exempt Distributions (as defined in the Ontario transitional provisions in Appendix D) prior to its repeal on November 30, 2001, a person that

i. is not a reporting issuer or a mutual fund, within the meaning of the Ontario Securities Act (R.S.O. 1990, c. S.5);

ii. is an issuer all of whose issued and outstanding shares

(A) are subject to restrictions on transfer contained in the constating documents of the issuer or one or more agreements among the issuer and the holders of its securities; and

(B) are beneficially owned, directly or indirectly, by not more than 50 persons or companies counting any two or more joint registered holders as one beneficial owner, exclusive of persons

I. that are employed by the issuer or an affiliated entity of the issuer, or

II. that beneficially owned, directly or indirectly, shares of the issuer while employed by it or an affiliated entity of it and at all times since ceasing to be so employed have continued to beneficially own, directly or indirectly, at least one share of the issuer, and

iii. has not distributed any securities to the public ;

“SEDAR” has the same meaning as in Regulation 13-101 respecting The System for Electronic Document Analysis and Retrieval (SEDAR), adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2001-C-0272 dated June 12, 2001 ;

“trade”, in Québec, has the same meaning as in Regulation 45-106 respecting Prospectus and Registration Exemptions ; and

“underlying security” means a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

PART 2

FIRST TRADES

2.1 Application

In Manitoba and Yukon, sections 2.2 to 2.7 and 2.10 to 2.14 do not apply.

2.2 Removal of Resale Provisions

In Newfoundland and Labrador, Nova Scotia and Ontario, the provisions in securities legislation listed in Appendix C, respectively, do not apply.

2.3 Section 2.5 Applies

If a security was distributed under any of the provisions listed in Appendix D, the first trade of that security is subject to section 2.5.

2.4 Section 2.6 Applies

If a security was distributed under any of the provisions listed in Appendix E, the first trade of that security is subject to section 2.6.

2.5 Restricted Period

(1) The trade is a distribution that does not require a prospectus if it is subject to this section in accordance with section 2.3 or other securities legislation, provided the conditions in subsection (2) are satisfied.

(2) Subject to subsection (3), for the purposes of subsection (1) the conditions are :

1. The issuer is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade.

2. At least four months have elapsed from the distribution date.

3. If the distribution date is on or after March 30, 2004, or in Québec on or after the coming into force of this Regulation, and

(a) the issuer is a reporting issuer on the distribution date, the certificate representing the security carries a legend, or an ownership statement issued under a direct registration system or other electronic book-entry system acceptable to the regulator and, in Québec, the securities regulatory authority, bears a legend restriction notation, stating :

“Unless permitted under securities legislation, the holder of this security must not trade the security before [*insert the date that is 4 months and a day after the distribution date*].”

or

(b) the issuer is not a reporting issuer on the distribution date, the certificate representing the security carries a legend, or an ownership statement issued under a direct registration system or other electronic book-entry system acceptable to the regulator and, in Québec, the securities regulatory authority, bears a legend restriction notation, stating :

“Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of *i* [*insert the distribution date*], and *ii* the date the issuer became a reporting issuer in any province or territory.”

4. The trade is not a control distribution.

5. No unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade.

6. No extraordinary commission or consideration is paid to a person or company in respect of the trade.

7. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

(3) Item 3.a of subsection (2) does not apply to a trade of an underlying security if the certificate representing the underlying security or the ownership statement issued under a direct registration book-entry system or other electronic system acceptable to the regulator and, in Québec, the securities regulatory authority, is issued at least four months after the distribution date.

2.6 Seasoning Period

(1) The trade is a distribution that does not require a prospectus if it is subject to this section in accordance with section 2.4 or other securities legislation, provided the conditions in subsection (3) are satisfied.

(2) The first trade of securities issued by a private company or private issuer made after the issuer has ceased to be a private company or private issuer is a distribution that does not require a prospectus, provided the conditions in subsection (3) are satisfied.

(3) For the purposes of subsections (1) and (2), the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade.

2. The trade is not a control distribution.

3. No unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade.

4. No extraordinary commission or consideration is paid to a person or company in respect of the trade.

5. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

2.7 Exemption for a Trade if the Issuer Becomes a Reporting Issuer After the Distribution Date

Item 1 of subsection 2.5(2), 2.6(3) or 2.8(2) does not apply if the issuer became a reporting issuer after the distribution date by filing a prospectus in a jurisdiction listed in Appendix B and is a reporting issuer in a jurisdiction of Canada at the time of the trade.

2.8 Exemption for a Trade by a Control Person

(1) The prospectus requirement does not apply to a control distribution, or a distribution by a lender, pledgee, mortgagee or other encumbrancer for the purpose of

liquidating a debt made in good faith by selling or offering for sale a security pledged, mortgaged or otherwise encumbered in good faith as collateral for the debt if the security was acquired by the lender, pledgee, mortgagee or other encumbrancer in a control distribution, if the conditions in subsection (2) are satisfied.

(2) For the purposes of subsection (1), the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade.

2. The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, has held the securities for at least four months.

3. No unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade.

4. No extraordinary commission or consideration is paid to a person or company in respect of the trade.

5. The selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

(3) The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, under subsection (2) must

(a) sign Form 45-102F1 no earlier than one business day before the form is filed;

(b) file Form 45-102F1 on SEDAR at least seven days before the first trade of the securities that is part of the distribution; and

(c) file, within three days after the completion of any trade, an insider report prepared in accordance with either Form 55-102F2 or Form 55-102F6 under National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI), adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2003-C-0069 dated March 3, 2003.

(4) A Form 45-102F1 filed under subsection (3) expires thirty days from the date the form was filed.

2.9 Determining Time Periods

(1) In determining the period of time that an issuer was a reporting issuer in a jurisdiction of Canada for the purposes of section 2.5, 2.6 or 2.8, if the issuer was a party to an amalgamation, merger, continuation or arrangement, the selling security holder may include the period of time that one of the parties to the amalgamation, merger, continuation or arrangement was a reporting issuer in a jurisdiction of Canada immediately before the amalgamation, merger, continuation or arrangement.

(2) In determining the period of time that a selling security holder has held a security for the purposes of section 2.5 or 2.8, if the selling security holder acquired the security from an affiliate of the selling security holder, the selling security holder may include the period of time that the affiliate held the security.

(3) In determining the period of time that a selling security holder has held an underlying security for the purposes of section 2.8, the selling security holder may include the period of time the selling security holder held the convertible security, exchangeable security or multiple convertible security.

(4) In determining the period of time that a lender, pledgee, mortgagee or other encumbrancer has held a security under item 2 of subsection 2.8(2), the selling security holder may include the period of time the debtor held the security.

(5) In determining the period of time that a lender, pledgee, mortgagee or other encumbrancer has held an underlying security under item 2 of subsection 2.8(2), the selling security holder may include the period of time the debtor held the convertible security, exchangeable security or multiple convertible security.

2.10 Exemption for a Trade in an Underlying Security if the Convertible Security, Exchangeable Security or Multiple Convertible Security is Qualified by a Prospectus

Section 2.6 does not apply to a trade in an underlying security issued or transferred under the terms of a convertible security, exchangeable security or multiple convertible security if

(a) a receipt was obtained for a prospectus qualifying the distribution of the convertible security, exchangeable security or multiple convertible security;

(b) the trade is not a control distribution; and

(c) the issuer of the underlying security is a reporting issuer at the time of the trade.

2.11 Exemption for a Trade in a Security Acquired in a Take-over Bid or Issuer Bid

Section 2.6 does not apply to a trade of a security of an offeror if

(a) a securities exchange take-over bid circular or securities exchange issuer bid circular relating to the distribution of the security was filed by the offeror on SEDAR;

(b) the trade is not a control distribution; and

(c) the offeror was a reporting issuer on the date the securities of the offeree issuer were first taken up under the take-over bid or issuer bid.

2.12 Exemption for a Trade in an Underlying Security if the Convertible Security, Exchangeable Security or Multiple Convertible Security is Qualified by a Securities Exchange Take-over Bid Circular or Issuer Bid Circular

Section 2.6 does not apply to a trade in an underlying security issued or transferred under the terms of a convertible security, exchangeable security or multiple convertible security if

(a) a securities exchange take-over bid circular or a securities exchange issuer bid circular relating to the distribution of the convertible security, exchangeable security or multiple convertible security was filed by the offeror on SEDAR;

(b) the trade is not a control distribution;

(c) the offeror was a reporting issuer on the date the securities of the offeree issuer were first taken up under the take-over bid or issuer bid; and

(d) the issuer of the underlying security is a reporting issuer at the time of the trade.

2.13 Trades by Underwriters

A trade by an underwriter of securities distributed under any of the provisions listed in Appendix F is a distribution.

2.14 First Trades in Securities of a Non-Reporting Issuer Distributed under a Prospectus Exemption

(1) The prospectus requirement does not apply to the first trade of a security distributed under an exemption from the prospectus requirement if

(a) the issuer of the security

i. was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

ii. is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

(b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

i. did not own directly or indirectly more than 10 percent of the outstanding securities of the class or series, and

ii. did not represent in number more than 10 percent of the total number of owners directly or indirectly of securities of the class or series; and

(c) the trade is made

i. through an exchange, or a market, outside of Canada, or

ii. to a person or company outside of Canada.

(2) The prospectus requirement does not apply to the first trade of an underlying security if

(a) the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed under an exemption from the prospectus requirement;

(b) the issuer of the underlying security

i. was not a reporting issuer in any jurisdiction of Canada at the distribution date of the convertible security, exchangeable security or multiple convertible security, or

ii. is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

(c) the conditions in paragraph (1)*b* would have been satisfied for the underlying security at the time of the initial distribution of the convertible security, exchangeable security or multiple convertible security; and

(d) the condition in paragraph (1)*c* is satisfied.

PART 3
EXEMPTION**3.1 Exemption**

(1) The regulator or the securities regulatory authority may grant an exemption from this Regulation, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.

(3) In Québec, this exemption is granted pursuant to section 263 of the Securities Act (R.S.Q., c. V-1.1).

PART 4
EFFECTIVE DATE**4.1 Effective Date**

This Regulation comes into force on September 14, 2005.

APPENDIX A**CONTROL DISTRIBUTIONS**

Jurisdiction	Securities Legislation Reference
Alberta	Definition of “control person” in section 1(l) and subclause <i>iii</i> of the definition of “distribution” contained in section 1 <i>p</i> of the Securities Act (R.S.A. 2000, c. S-4)
British Columbia	Paragraph <i>c</i> of the definition of “distribution” contained in section 1(1) of the Securities Act (R.S.B.C. 1996, c. 418)
Manitoba	Paragraph <i>b</i> of the definition of “primary distribution to the public” contained in subsection 1(1) of the Securities Act (C.C.S.M. c. S50)
Newfoundland and Labrador	Clause 2(1)(l) <i>iii</i> of the Securities Act (R.S.N.L. 1990, c. S-13)
New Brunswick	Definition of “control person” and clause <i>c</i> of the definition of “distribution” contained in subsection 1(1) of the Securities Act (S.N.B. 2004, c. S-5.5)

Northwest Territories	Definition of “control person” and paragraph <i>iii</i> of the definition of “distribution” contained in subsection 1(1) of Blanket Order No. 1 of the Registrar of Securities.
Nova Scotia	Clause 2(1)(1) <i>iii</i> of the Securities Act (R.S.N.S. 1989, c. 418)
Nunavut	Definition of “control person” and paragraph <i>iii</i> of the definition of “distribution” contained in subsection 1(1) of Blanket Order No. 1 of the Registrar of Securities.
Ontario	Paragraph <i>c</i> of the definition of “distribution” contained in subsection 1(1) of the Securities Act (R.S.O. 1990, c. S.5)
Prince Edward Island	Clause <i>iii</i> of the definition of “distribution” in section 1 of the Securities Act (R.S.P.E.I. 1998, c. S-3)
Québec	Paragraph 9 of the definition of “distribution” contained in section 5 of the Securities Act (R.S.Q., c. V-1.1)
Saskatchewan	Subclauses 2(1) <i>r iii</i> , <i>iv</i> and <i>v</i> of The Securities Act, 1988 (S.S. 1988-89, c. S-42.2)

APPENDIX B

REPORTING ISSUER JURISDICTIONS

Alberta
British Columbia
Manitoba
Nova Scotia
Ontario
Québec
Saskatchewan

APPENDIX C

(s. 2.2)

NON-APPLICABLE RESALE PROVISIONS

Jurisdiction	Securities Legislation Reference
Newfoundland and Labrador	Clause 54(5) <i>a</i> , subsections 54(7), 54(9), 54(10), 73(4), 73(5), 73(6) as it relates to clause 72(1) <i>r</i> , 73(7) but not as it relates to subsections 54(6) and 54(7), 73(12), 73(18), 73(19) and 73(24) of the Securities Act (Newfoundland and Labrador)
Nova Scotia	Subsections 77(5), 77(6), 77(7), 77(7A), 77(7B), 77(8), 77(9), 77(10) <i>a</i> and 77(11) of the Securities Act (Nova Scotia)
Ontario	Subsections 72(4), 72(5), 72(6) as it relates to clause 72(1) <i>r</i> , and 72(7) of the Securities Act (Ontario)

APPENDIX D

(s. 2.3)

RESTRICTED PERIOD TRADES

Except in Manitoba and the Yukon, the following exemptions from the prospectus requirement in Regulation 45-106 respecting Prospectus and Registration Exemptions:

— subsection 2.3(2) [Accredited investor];

— subsection 2.5(2) [Family, friends and business associates] (except in Ontario);

— subsection 2.7(2) [Founder, control person and family] (Ontario);

— subsection 2.8(2) [Affiliates];

— subsection 2.9(3) [Offering memorandum] (in British Columbia, New Brunswick, Nova Scotia, and Newfoundland and Labrador);

— subsection 2.9(5) [Offering memorandum] (in Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec and Saskatchewan);

— subsection 2.10(2) [Minimum amount investment];

— subsection 2.12(2) [Asset acquisition];

— subsection 2.13(2) [Petroleum, natural gas and mining properties];

— subsection 2.14(2) [Securities for debt];

— subsection 2.19(2) [Additional investment in investment funds];

— subsection 2.30(2) [Isolated trade by issuer];

— subsection 2.40(2) [RRSP/RRIF], if the security acquired under section 2.40 was initially acquired by an individual or an associate of the individual or an RRSP or RRIF established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions listed above,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of Multilateral Instrument 45-102, Resale of Securities in effect on March 30, 2004, hereafter referred to as “MI 45-102”;

— subsection 2.42(3) [Conversion, exchange or exercise] if the security acquired in the circumstances referred to in clause *a* of subsection 2.42(1) was acquired in accordance with the terms and conditions of a previously issued security under

(a) one of the exemptions listed above,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102;

— section 5.2 [TSX Venture exchange offering], if the security acquired under section 5.2 was acquired by

(a) a purchaser that, at the time the security was acquired, was an insider or promoter of the issuer of the security, the issuer’s underwriter, or a member of the underwriter’s “professional group” (as defined in Regulation 33-105 respecting Underwriting Conflicts approved by Ministerial Order No. 2005-14 dated August 2, 2005), or

(b) any other purchaser who purchases securities in excess of \$40,000;

as well as the following local exemptions from the prospectus requirement:

— section 3.1 of Alberta Securities Commission Rule 72-501 Distributions to Purchasers Outside Alberta;

— clauses 77(1)*u* and *w* and subclauses 77(1)*abii* and *iii* of the Securities Act (Nova Scotia);

— an exemption from the prospectus requirement in a jurisdiction of Canada that specifies that the first trade is subject to section 2.5 of this Regulation.

Transitional Provisions

1. General

An exemption from the prospectus requirement listed in Appendix D of MI 45-102 or an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.5 of MI 45-102. The exemptions listed in Appendix D on March 30, 2004 were:

— Sections 131(1)*b*, *c*, (1), and *m* of the Securities Act (Alberta);

— Section 122*d* and 122.2 of the Alberta Securities Commission Rules, section 3.1 of Alberta Securities Commission Rule 72-501 Distributions to Purchasers Outside Alberta, subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of Multilateral Instrument 45-103, Capital Raising Exemptions prior to its repeal on September 14, 2005, hereafter referred to as “MI 45-103”, or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Section 131(1)*fiii* of the Securities Act (Alberta), if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the Securities Act (Alberta), the Alberta Securities Commission Rules or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Sections 74(2)(1) to (6), (16), (18), (19), (23) and (25) of the Securities Act (British Columbia);

— Sections 128*a*, *b*, *c*, *e*, *f* and *h* of the British Columbia Securities Rules (B.C. Reg. 194/97) and subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Sections 74(2)(11)*ii*, 74(2)(11)*iii* and 74(2)(13) of the Securities Act (British Columbia) if the security acquired by the selling security holder or the right to purchase, convert or exchange or otherwise acquire, was initially acquired by a person or company under any of the sections of the Securities Act (British Columbia), the Securities Rules (British Columbia) or MI 45-103 referred to in this Appendix, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Section 74(2)(12) of the Securities Act (British Columbia) if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person or company under any of the sections of the Securities Act (British Columbia), the Securities Rules (British Columbia) or MI 45-103 referred to in this Appendix, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Clauses 54(3)*f* and *g* and 73(1)*a, b, c, d, h, l, m, p* and *q* of the Securities Act (Newfoundland and Labrador), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103, or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Subclause 73(1)*fiii* of the Securities Act (Newfoundland and Labrador) if the right to purchase, convert or exchange was previously acquired under one of the above listed exemptions under the Securities Act (Newfoundland and Labrador) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Paragraphs 3*a, b, c, k, l, m, r, s, t, u, w* and *z* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories), subsections 3.1(2), 4.1(2), 4.1(4), 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Subparagraph 3*eiii* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Clauses 77(1)*a, b, c, d, l, m, p, q, u, w, y, ab* and *ad* of the Securities Act (Nova Scotia), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Subclause 77(1)*fiii* of the Securities Act (Nova Scotia) if the right to purchase, convert or exchange was previously acquired under one of the above listed exemptions under the Securities Act (Nova Scotia) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Paragraphs 3*a, b, c, k, l, m, r, s, t, u, w* and *z* of Blanket Order No.1 of the Registrar of Securities (Nunavut), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Subparagraph 3*eiii* of Blanket Order No.1 of the Registrar of Securities (Nunavut) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under Blanket Order No. 1 of the Registrar of Securities (Nunavut) or MI 45-103, or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Clauses 13(1)*a, b, c, g* and *i* of the Securities Act (Prince Edward Island), subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Subclause 13(1)*eiii* of the Securities Act (Prince Edward Island) if the right to purchase, convert or exchange was previously acquired under one the above-listed exemptions under the Securities Act (Prince Edward Island) or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Clauses 81(1)*a, b, c, d, m, n, s, t, v, w, z, bb* and *ee* of The Securities Act, 1988 (Saskatchewan) and subsections 3.1(2), 4.1(2), 4.1(4), and 5.1(2) of MI 45-103 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Subclauses 81(1)*fiii* and *iv* of The Securities Act, 1988 (Saskatchewan) if the convertible security, exchangeable security or multiple convertible security was acquired under one of the exemptions of The Securities Act, 1988 (Saskatchewan) or MI 45-103 referred to in this Appendix or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102;

— Clause 81(1)*e* of The Securities Act, 1988 (Saskatchewan) if the person or company from whom the securities were acquired obtained the securities under one of the exemptions of The Securities Act, 1988 (Saskatchewan) referred to in this Appendix.

2. Québec Provisions

— Sections 43, 47, 48 and 51 of the Securities Act (Québec) as they read prior to their amendment or repeal by sections 7 and 8 of An Act to amend the Securities Act and other legislative provisions (S.Q., 2004, c. 37);

— Prospectus and registration exemptions granted pursuant to section 263 of the Securities Act (Québec) before March 30, 2004 if the exemption included as a condition a restricted period of 12 months.

3. Ontario Provisions

Definitions

In this Appendix

“1998 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on December 22, 1998;

“2001 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on November 30, 2001;

“2004 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

“2005 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions that came into force on September 14, 2005;

“convertible security” means, in Ontario, a security of an issuer that is convertible into, or carries the right of the holder to purchase, or of the issuer to cause the purchase of, a security of the same issuer;

“exchangeable security” means, in Ontario, a security of an issuer that is exchangeable for, or carries the right of the holder to purchase, or the right of the issuer to cause the purchase of, a security of another issuer;

“exchange issuer” means, in Ontario, an issuer that distributes securities of a reporting issuer held by it in accordance with the terms of an exchangeable security of its own issue;

“multiple convertible security” means, in Ontario, a security of an issuer that is convertible into or exchangeable for, or carries the right of the holder to purchase, or of the issuer or exchange issuer to cause the purchase of, a convertible security, an exchangeable security or another multiple convertible security;

“OSC Rule 45-502” means Ontario Securities Commission Rule 45-502 Dividend or Interest Reinvestment and Stock Dividend Plans;

“Type 1 trade” means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)*a, b, c, d, l, m, p* or *q* of the Securities Act (Ontario);

(b) section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501;

(c) section 2.3, 2.12, 2.13 or 2.14 of the 2001 OSC Rule 45-501; or

(d) section 2.3, 2.12, 2.13, 2.14 or 2.16 of the 2004 OSC Rule 45-501; and

“underlying security” means, in Ontario, a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

(a) Securities Act (Ontario)

Clauses 72(1)*a, b, c, d, (l), m, p* and *q* of the Securities Act (Ontario) and subclause 72(1)*fiii* of the Securities Act (Ontario) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the Securities Act (Ontario), or an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of MI 45-102.

(b) 2005 OSC Rule 45-501

Section 2.1 of the 2005 OSC Rule 45-501.

Section 2.2 of the 2005 OSC Rule 45-501.

(c) 2001 OSC Rule 45-501 and 2004 OSC Rule 45-501

Section 2.3 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.11 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if section 2.5 of MI 45-102 would have been applicable to a first trade in that secu-

urity by the person making the exempt distribution under section 2.11 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501.

Section 2.12 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.13 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.14 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.16 of the 2004 OSC Rule 45-501.

(d) 1998 OSC Rule 45-501

Section 2.4 of the 1998 OSC Rule 45-501.

Section 2.5 of the 1998 OSC Rule 45-501.

Section 2.11 of the 1998 OSC Rule 45-501.

(e) Other

Any provision under which an underlying security was distributed on conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired in a Type 1 trade or in a trade under section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501.

APPENDIX E

(s. 2.4)

SEASONING PERIOD TRADES

Except in Manitoba and the Yukon, the following exemptions from the prospectus requirement in Regulation 45-106 respecting Prospectus and Registration Exemptions:

- subsection 2.1(2) [Rights offering];
- subsection 2.2(4) [Reinvestment plan];
- subsection 2.4(2) [Private issuer];
- subsection 2.11(2) [Business combination and reorganization];
- subsection 2.16(2) [Take-over bid and issuer bid];
- subsection 2.17(2) [Offer to acquire to security holder outside local jurisdiction];
- subsection 2.18(6) [Investment fund reinvestment];

— subsection 2.20(2) [Private investment club];

— subsection 2.21(3) [Private investment fund - loan and trust pools];

— subsection 2.24(4) [Employee, executive officer, director and consultant];

— subsection 2.26(3) [Trades among current or former employees, executive officers, directors or consultants of non-reporting issuer];

— subsection 2.27(4) [Permitted transferees];

— subsection 2.30(3) [Incorporation or organization];

— subsection 2.31(3) [Dividends and distributions];

— subsection 2.40(2) [RRSP/RRIF], if the security acquired under section 2.40 was initially acquired by an individual or an associate of the individual or an RRSP or RRIF established for or by that individual or under which that individual is a beneficiary under

(a) one of the exemptions listed above,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of Multilateral Instrument 45-102, Resale of Securities in effect on March 30, 2004, hereafter referred to as “MI 45-102”;

— subsection 2.42 (3) [Conversion, exchange or exercise - security of own issue] if the security acquired in the circumstances referred to in clause *a* of subsection 2.42 (1) was acquired in accordance with the terms and conditions of a previously issued security under

(a) one of the exemptions listed above,

(b) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of this Regulation, or

(c) an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102;

— section 2.42 (3) [Conversion, exchange or exercise - security of a reporting issuer] for a security being traded in the circumstances referred to in clause (b) of subsection 2.42 (1);

— as well as the following local exemptions from the prospectus requirement:

— Alberta Securities Commission Rule 45-502 Trade with RESP, if not included in Appendix D;

— Nova Scotia Securities Commission Blanket Order No. 46;

— Prince Edward Island Local Rule 45-510 - Exempt Distributions - Exemptions for Trades Pursuant to Take-over Bids and Issuer Bids;

— an exemption from the prospectus requirement in a jurisdiction of Canada that specifies that the first trade is subject to section 2.6 of this Regulation.

Transitional Provisions

1. General

An exemption from the prospectus requirement listed in Appendix E of MI 45-102 in effect on March 30, 2004 or an exemption from the prospectus requirement that specified prior to September 14, 2005 that the first trade was subject to section 2.6 of MI 45-102. The exemptions listed in Appendix E of MI 45-102 on March 30, 2004 were:

— Section 131(1)*f* if not included in Appendix D, sections 131(1)*h*, *i*, *j*, *k*, and *y* of the Securities Act (Alberta) and sections 107(1)*j*.1 and *k*.1 prior to their repeal by section 5 of the Securities Amendment Act, 1989 (Alberta), subsection 2.1(2) of Multilateral Instrument 45-103, Capital Raising Exemptions prior to its repeal on September 14, 2005, hereafter referred to as “MI 45-103”, and sections 2.1, 2.2, 2.3 and 2.4 of Multilateral Instrument 45-105, Trades to Employees, Senior Officers, Directors and Consultants Exemptions prior to its repeal on September 14, 2005, hereafter referred to as “MI 45-105” or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Section 74(2)(11)*iii* if not included in Appendix D or F and sections 74(2)(7), (8) if not included in Appendix F, (9) to (11), (13), (22) and (24) of the Securities Act (British Columbia);

— Section 128*g* of the Securities Rules (British Columbia), section 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Section 74(2)(12) of the Securities Act (British Columbia), if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person or company under any of the sections of the Securities Act (British Columbia), the Securities Rules (British Columbia) or a multilateral instrument referred to in this Appendix or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Clauses 54(3) and 73(1)*f* if not included in Appendix D or F, *i* if not included in Appendix F, *j*, *k* and *n* of the Securities Act (Newfoundland and Labrador), subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Paragraphs 3*e*, *f*, *g*, *h*, *i*, *n*, *x*, *y* and *mm* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories), except for a trade made under subparagraph 3*e* *iii* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) that is included in Appendix D or F or a trade made under paragraph 3*g* that is included in Appendix F, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Clause 77(1)*f* of the Securities Act (Nova Scotia) if not included in Appendix D or F, and clauses 77(1) *h*, *i* if not included in Appendix F, *j*, *k*, *n*, *v*, *va*, *ac*, *ae* and *af* of the Securities Act (Nova Scotia), and clause 78(1)*a* of the Securities Act (Nova Scotia) as it relates to clause 41(2)*j* of the Securities Act (Nova Scotia) and Blanket Order No. 37, 38 if not included in Appendix F, 46 and 45-503 if not included in Appendix F, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Paragraphs 3*e*, *f*, *g*, *h*, *i*, *n*, *x*, *y* and *mm* of Blanket Order No. 1 of the Registrar of Securities (Nunavut), except for a trade made under subparagraph 3*e**iii* of Blanket Order No. 1 of the Registrar of Securities (Nunavut) that is included in Appendix D or F or a trade made under paragraph 3*g* that is included in Appendix F, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

Clauses 13(1)*e* if not included in Appendix D or F, *f* if not included in Appendix F, *h* and *k* of the Securities Act (Prince Edward Island) or section 3.1 or 3.2 of Rule 45-501, section 1.1 of Prince Edward Island Rule 45-502, section 2.1 or 2.2 of Prince Edward Island Rule 45-506 or section 2.1 or 2.2 of Prince Edward Island Rule 45-510, subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102;

— Clauses 81(1)*a.1*, *e* if not included in Appendix D, *f* if not included in Appendix D or F, *f.1*, *g*, *h*, *i* if not included in Appendix F, *i.1*, *j*, *k*, *o*, *cc* and *dd* of The Securities Act, 1988 (Saskatchewan), subsection 2.1(2) of MI 45-103 and sections 2.1, 2.2, 2.3 and 2.4 of MI 45-105 or under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102.

2. Québec Provisions

— Sections 50 and 52 of the Securities Act (Québec) as they read prior to their repeal by section 8 of An Act to amend the Securities Act and other legislative provisions;

— Prospectus and registration exemptions granted pursuant to section 263 of the Securities Act (Québec) before March 30, 2004 if the exemption included as a condition a seasoning period of 12 months.

3. Ontario provisions

Definitions

In this Appendix

“1998 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on December 22, 1998;

“2001 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on November 30, 2001;

“2004 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Exempt Distributions that came into force on January 12, 2004;

“2005 OSC Rule 45-501” means the Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions that came into force on September 14, 2005;

“convertible security” means, in Ontario, a security of an issuer that is convertible into, or carries the right of the holder to purchase, or of the issuer to cause the purchase of, a security of the same issuer;

“exchangeable security” means, in Ontario, a security of an issuer that is exchangeable for, or carries the right of the holder to purchase, or the right of the issuer to cause the purchase of, a security of another issuer;

“exchange issuer” means, in Ontario, an issuer that distributes securities of a reporting issuer held by it in accordance with the terms of an exchangeable security of its own issue;

“multiple convertible security” means, in Ontario, a security of an issuer that is convertible into or exchangeable for, or carries the right of the holder to purchase, or of the issuer or exchange issuer to cause the purchase of, a convertible security, an exchangeable security or another multiple convertible security;

“OSC Rule 45-502” means Ontario Securities Commission Rule 45-502 Dividend or Interest Reinvestment and Stock Dividend Plans;

“OSC Rule 45-503” means Ontario Securities Commission Rule 45-503 Trades to Employees, Executives and Consultants;

“Type 1 trade” means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)*a, b, c, d, l, m, p* or *q* of the Securities Act (Ontario);

(b) section 2.4, 2.5 or 2.11 of the 1998 OSC Rule 45-501;

(c) section 2.3, 2.12, 2.13 or 2.14 of the 2001 OSC Rule 45-501; or

(d) section 2.3, 2.12, 2.13, 2.14 or 2.16 of the 2004 OSC Rule 45-501; and

“Type 2 trade” means, in Ontario, a distribution in a security under an exemption from the prospectus requirement in:

(a) clause 72(1)*f* of the Securities Act (Ontario) other than a distribution to an associated consultant or investor consultant as defined in OSC Rule 45-503 or a distribution to an associated consultant or investor relations person as defined in MI 45-105;

(b) clause 72(1)h, i, j, k or n of the Securities Act (Ontario); or

(c) section 2.5, 2.8 or 2.15 of the 2001 OSC Rule 45-501; or

(d) section 2.5, 2.8 or 2.15 of the 2004 OSC Rule 45-501; and

“underlying security” means, in Ontario, a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

(a) Securities Act (Ontario)

Clauses 72(1)fi if not included in Appendix F, j, k and n of the Securities Act (Ontario), except for a trade made under 72(1)fiii of the Securities Act (Ontario) that is:

i. included in Appendix D or F, or

ii. contemplated by section 6.5 of Ontario Securities Commission Rule 45-501 Exempt Distributions; and

an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of MI 45-102.

Clause 72(1)h of the Securities Act (Ontario) except for a distribution under clause 72(1)h of the Securities Act (Ontario) of an underlying security that was distributed on conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired in a Type 1 trade.

(b) 2001 OSC Rule 45-501 and 2004 OSC Rule 45-501

Section 2.1 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.5 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.6 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if an underlying security was distributed under section 2.6 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired:

(a) in a Type 2 trade;

(b) under section 2.2, 3.1, 3.2, 3.3, 5.1 or 8.1 of OSC Rule 45-503, other than a trade by an associated consultant or investor consultant as defined in OSC Rule 45-503; or

(c) under a provision in Part 2 of MI 45-105.

Section 2.7 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if an underlying security was distributed under section 2.7 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired:

(a) in a Type 2 trade;

(b) under section 2.2, 3.1, 3.2, 3.3, 5.1 or 8.1 of OSC Rule 45-503, other than a trade by an associated consultant or investor consultant as defined in OSC Rule 45-503; or

(c) under a provision in Part 2 of MI 45-105.

Section 2.8 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501.

Section 2.11 of the 2001 OSC Rule 45-501 and the 2004 OSC Rule 45-501 if section 2.6 of MI 45-102 would have been applicable to a first trade in that security by the person making the exempt distribution under section 2.11 of the 2001 OSC Rule 45-501 or the 2004 OSC Rule 45-501.

Section 2.15 of the 2004 OSC Rule 45-501.

(c) 1998 OSC Rule 45-501

Section 2.7 of the 1998 OSC Rule 45-501.

Section 2.8 of the 1998 OSC Rule 45-501.

Section 2.9 of the 1998 OSC Rule 45-501 if an underlying security was distributed under section 2.9 of the 1998 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired by the holder in a Type 2 trade.

Section 2.10 of the 1998 OSC Rule 45-501 if an underlying security was distributed under section 2.10 of the 1998 OSC Rule 45-501 on a forced conversion or exchange of a multiple convertible security, convertible security or exchangeable security acquired by the holder in a Type 2 trade.

Section 2.17 of the 1998 OSC Rule 45-501.

Subsection 2.18(1) of the 1998 OSC Rule 45-501 after the issuer had ceased to be a private issuer for the purposes of the Securities Act (British Columbia).

(d) Other

Sections 2.1 and 3.1 of Ontario Securities Commission Rule 45-502.

APPENDIX F

(s. 2.13)

UNDERWRITERS

Subsection 2.33 (2) [Acting as underwriter] of Regulation 45-106 respecting Prospectus and Registration Exemptions and subsection 2.11(2) [Business combination and reorganization] or 2.42 (3) [Conversion, exchange or exercise] of Regulation 45-106, if the original security was acquired under subsection 2.33 (2) of Regulation 45-106 or one of the underwriter exemptions in the transitional provisions listed below.

Transitional Provisions

An exemption from the prospectus requirement listed in Appendix F of Multilateral Instrument 45-102 Resale of Securities in effect on March 30, 2004, hereafter referred to as “MI 45-102”. Exemptions listed in Appendix F of MI 45-102 on March 30, 2004 were:

— Section 74(2)(15) of the Securities Act (British Columbia) and section 74(2)(8) or 74(2)(11)*iii* of the Securities Act (British Columbia) if the original security was acquired under section 74(2)(15) of the Securities Act (British Columbia);

— Clause 73(1)*r* of the Securities Act (Newfoundland and Labrador) and section 73(1)*i* or 73(1)*fiii* of the Securities Act (Newfoundland and Labrador) if the original security was acquired under section 73(1)*r* of the Securities Act (Newfoundland and Labrador);

— Paragraph 3*v* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) and paragraph 3*g* or subparagraph 3*eiii* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories) if the original security was acquired under paragraph 3*v* of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories);

— Clause 77(1)*r* of the Securities Act (Nova Scotia) and clause 77(1)*i* or 77(1)*fiii* of the Securities Act (Nova Scotia) or Blanket Order No. 38 or 45-503 if the original security was acquired under clause 77(1)*r* of the Securities Act (Nova Scotia);

— Paragraph 3*v* of Blanket Order No. 1 of the Registrar of Securities (Nunavut) and paragraph 3*g* or subparagraph 3*eiii* of Blanket Order No. 1 of the Registrar of Securities (Nunavut) if the original security was acquired under paragraph 3*v* of Blanket Order No. 1 of the Registrar of Securities (Nunavut);

— Clause 72(1)*fiii* of the Securities Act (Ontario) if the original security was acquired under clause 72(1)*r* of the Securities Act (Ontario);

— Clause 72(1)*i* of the Securities Act (Ontario) if the original security was acquired under clause 72(1)*r* of the Securities Act (Ontario);

— Clause 72(1)*r* of the Securities Act (Ontario);

— Section 2.1 of Prince Edward Island Rule 45-509 and subclause 13(1)*eiii* or clause 13(1)*f* of the Securities Act (Prince Edward Island) or section 1.1 of Prince Edward Island Rule 45-502 if the original security was acquired under section 2.1 of Prince Edward Island Rule 45-509;

— Section 55 of the Securities Act (Québec) as it read prior to its repeal by section 8 of An Act to amend the Securities Act and other legislative provisions;

— Clause 81(1)*u* of The Securities Act, 1988 (Saskatchewan) and clause 81(1)*i* or subclause 81(1)*fiii* of The Securities Act, 1988 (Saskatchewan) if the original security was acquired under clause 81(1)*u* of The Securities Act, 1988 (Saskatchewan).

FORM 45-102F1

NOTICE OF INTENTION TO DISTRIBUTE SECURITIES UNDER SECTION 2.8 OF REGULATION 45-102 RESPECTING RESALE OF SECURITIES

Reporting issuer

1. Name of reporting issuer:

Selling security holder

2. Your name:
3. The offices or positions you hold in the reporting issuer:
4. Are you selling securities as a lender, pledgee, mortgagee or other encumbrancer?
5. Number and class of securities of the reporting issuer you beneficially own:

Distribution

6. Number and class of securities you propose to sell:

7. Will you sell the securities privately or on an exchange or market? If on an exchange or market, provide the name.

Warning

It is an offence to submit information that, in a material respect and in light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

I certify that

(1) I have no knowledge of a material fact or material change with respect to the issuer of the securities that has not been generally disclosed; and

(2) the information given in this form is true and complete.

Date _____

Your name (Selling security holder)

Your signature (or if a company, the signature of your authorized signatory)

Name of your authorized signatory

INSTRUCTION

File this form electronically through SEDAR with the securities regulatory authority in each jurisdiction where you sell securities and with the Canadian exchange on which the securities are listed. Where the securities are being sold on an exchange, the form should be filed in every jurisdiction across Canada.

Notice to selling security holders - collection and use of personal information

The personal information required in this form is collected for and used by the listed securities regulatory authorities to administer and enforce securities legislation in their jurisdictions. This form is publicly available by authority of Regulation 45-102 and the securities

legislation in each of the jurisdictions. The personal information collected will not be used or disclosed other than for the stated purposes without first obtaining your consent. Corporate filers should seek the consent of any individuals whose personal information appears in this form before filing this form.

If you have questions about the collection and use of your personal information, or the personal information of your authorized signatory, contact any of the securities regulatory authorities listed below.

Alberta Securities Commission

4th Floor, 300 - 5th Avenue SW
Calgary, AB T2P 3C4
Attention: Information Officer
Telephone: (403) 297-6454
Facsimile: (403) 297-6156

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, B.C. V7Y 1L2
Attention: Manager, Financial and Insider Reporting
Telephone: (604) 899-6730 or (800) 373-6393
(in B.C.)
Facsimile: (604) 899-6506

Securities Commission of Newfoundland and Labrador

P.O. Box 8700
2nd Floor, West Block
Confederation Building
75 O'Leary Avenue
St. John's NFLD A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Department of Justice, Northwest Territories

Legal Registries
P.O. Box 1320
1st Floor, 5009-49th Street
Yellowknife, NWT X1A 2L9
Attention: Director, Legal Registries
Telephone: (867) 873-7490
Facsimile: (867) 873-0243

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, NS B3J 3J9
Attention: Corporate Finance
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Department of Justice, Nunavut

Legal Registries Division
P.O. Box 1000 - Station 570
1st Floor, Brown Building
Iqaluit, NT X0A 0H0
Attention: Director, Legal Registries Division
Telephone: (867) 975-6190
Facsimile: (867) 975-6194

Ontario Securities Commission

Suite 1903, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
Attention: Administrative Assistant to the Director
of Corporate Finance
Telephone: (416) 593-8314
Facsimile: (416) 593-8177

Prince Edward Island Securities Office

Consumer, Corporate and Insurance Services Division
Office of the Attorney General
P.O. Box 2000
Charlottetown, PE C1A 7N8
Attention: Registrar of Securities
Telephone: (902) 368-4550
Fax: (902) 368-5283

Autorité des marchés financiers

Tour de la Bourse
800 square Victoria
C. P. 246, 22^e étage
Montréal, Québec
H4Z 1G3
Attention: Responsable de l'accès à l'information

**Saskatchewan Financial Services Commission
Securities Division**

6th Floor, 1919 Saskatchewan Drive
Regina, SK S4P 3V7
Attention: Deputy Director, Legal
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

7068

M.O., 2005-20**Order number V-1.1-2005-20 of the Minister of
Finance dated 12 August 2005**

Securities Act
(R.S.Q., c. V-1.1 ; 2004, c. 37)

CONCERNING the Regulation 45-106 respecting
prospectus and registration exemptions

WHEREAS the Securities Act (R.S.Q., c. V-1.1) has
been amended by the chapter 37 of the Statutes of 2004 ;

WHEREAS subparagraphs 1, 3, 4, 7, 10, 11, 12, 14 and
34 of section 331.1 of the Securities Act stipulate that the
Autorité des marchés financiers may make regulations
concerning the matters referred to in those paragraphs ;

WHEREAS the third and fourth paragraphs of section 331.2
of the said Act stipulate that a draft regulation shall be
published in the Bulletin of the Authority, accompanied
with the notice required under section 10 of the Regula-
tions Act (R.S.Q., c. R-18.1) and may not be submitted
for approval or be made before 30 days have elapsed
since its publication ;

WHEREAS the first and fifth paragraphs of the said
section stipulate that every regulation made under sec-
tion 331.1 must be approved, with or without amend-
ment, by the Minister of Finance and comes into force
on the date of its publication in the *Gazette officielle du
Québec* or any later date specified in the regulation ;

WHEREAS sections 691 and 696 of chapter 45 of the
statutes of 2002 stipulate, in particular, that sections 331.1
and 331.2 of the Securities Act are amended by replac-
ing "Commission" wherever it appears by "Agency",
and making the necessary modifications ;

WHEREAS sections 37 and 38 of chapter 37 of the
statutes of 2004 stipulate, in particular, that sections 331.1
and 331.2 of the Securities Act are amended by replac-
ing "Agency" wherever it appears by "Authority" ;

WHEREAS the draft Regulation 45-106 respecting pro-
spectus and registration exemptions was published in
the Supplement to the Bulletin concerning securities of
the Autorité des marchés financiers, volume 1, No. 46 of
December 17, 2004 ;

WHEREAS on August 11, 2005, by the decision
No. 2005-PDG-0251, the Authority made the Regulation
45-106 respecting prospectus and registration exemptions ;