

Annex A3

Blackline Excerpts of Proposed Amendments to Form 41-101F1 *Information Required in a Prospectus*

[These excerpts show the proposed amendments blacklined into the current consolidated version. Those portions of the form that contain no proposed amendments are denoted by "...". These excerpts are provided for illustrative purposes only.]

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Market for securities

1.9(4) If the issuer has complied with the requirements of the Instrument as an IPO venture issuer, include a statement, in substantially the following form, with bracketed information completed:

“As at the date of this prospectus, [name of issuer] does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).”

...

Describe the business

5.1(1) Describe the business of the issuer and its operating segments that are reportable segments as those terms are described in the issuer’s GAAP. Disclose information for each reportable segment of the issuer in accordance with subsection 5.1(1) of Form 51-102F2.

- (2) Disclose the nature and results of any bankruptcy, receivership or similar proceedings against the issuer or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by the issuer or any of its subsidiaries, within the three most recently completed financial years or, if the issuer is a venture issuer or an IPO venture issuer, the two most recently completed financial years, or completed during or proposed for the current financial year.
- (3) Disclose the nature and results of any material restructuring transaction of the issuer or any of its subsidiaries within the three most recently completed financial years or, if the issuer is a venture issuer or an IPO venture issuer, the two most recently completed financial years, or completed during or proposed for the current financial year.
- (4) If the issuer has implemented social or environmental policies that are fundamental to the issuer's operations, such as policies regarding the issuer's relationship with the environment or with the communities in which the issuer does business, or human rights policies, describe them and the steps the issuer has taken to implement them.

Three-year History

- 5.2(1) Describe how the issuer's business has developed over the last three completed financial years or, if the issuer is a venture issuer or an IPO venture issuer, the last two completed financial years, and any subsequent period to the date of the prospectus, including only events, such as acquisitions or dispositions, or conditions that have influenced the general development of the business.

...

MD&A

- 8.2(1) Provide MD&A for

- (a) the most recent annual financial statements of the issuer included in the prospectus under Item 32, and
 - (b) the most recent interim financial report of the issuer included in the prospectus under Item 32.
- (2) If the prospectus includes the issuer's annual statements of comprehensive income, statements of changes in equity, and statements of cash flow for three financial years under Item 32, provide MD&A for the second most recent annual financial statements of the issuer included in the prospectus under Item 32.

- (3) Despite subsection (2), MD&A for the second most recent annual financial statements of the issuer included in the prospectus under Item 32 may omit disclosure regarding statement of financial position items.

GUIDANCE

Under section 2.2.1 of Form 51-102F1, a venture issuer, or an IPO venture issuer, without significant revenue in the most recently completed financial year has the option of meeting the requirement to provide interim MD&A under section 2.2 of Form 51-102F1 by providing quarterly highlights disclosure.

...

Additional disclosure for venture issuers or IPO venture issuers without significant revenue

8.6(3) Provide the disclosure in subsection (1) for the following periods:

- (a) the two most recently completed financial years; and
- (b) if the issuer is not providing disclosure in accordance with section 2.2.1 of Form 51-102F1, the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial report included in the prospectus, if any.

...

Additional disclosure for issuers with significant equity investees

8.8(2) Provide the disclosure in subsection (1) for the following periods:

- (a) the two most recently completed financial years;
- (b) if the issuer is not providing disclosure in accordance with section 2.2.1 of Form 51-102F1, the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial report included in the prospectus, if any.

...

Disclosure

17.1 Include in the prospectus a Statement of Executive Compensation prepared in accordance with Form 51-102F6 or, if the issuer is a venture issuer or an IPO venture issuer, in accordance with Form 51-102F6 or Form 51-102F6V and describe any intention to make any material changes to that compensation.

...

IPO venture issuers

20.11 If the issuer has complied with the requirements of the Instrument as an IPO venture issuer, include a statement, in substantially the following form, with bracketed information completed:

“As at the date of the prospectus, [name of issuer] does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).”

...

Exceptions to financial statement requirements

32.4(1) Despite section 32.2, an issuer is not required to include the following financial statements in a prospectus

- (a) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, if the issuer is
 - (i) an IPO venture issuer, or
 - (ii) a reporting issuer in at least one jurisdiction immediately before filing the prospectus,