

Form 51-103F2
Report of Material Change or Disclosable Event

PART 1 INSTRUCTIONS

1.1 Title of Form

Modify the title of this Form to indicate whether the report is being filed to report a material change, a Disclosable Event, or both.

- If only a material change is being reported, modify the title to indicate “Report of Material Change”.
- If only a Disclosable Event is being reported, modify the title to indicate “Report of Disclosable Event”.
- If both a material change and a Disclosable Event are being reported modify the title to indicate “Report of Material Change or Disclosable Event”.

1.2 Format

The numbering, headings and ordering of the items included in this Form are guidelines only.

1.3 Defined Terms

Refer to Sample Instrument 51-103 Ongoing Governance and Disclosure Requirements for Venture Issuers for the definition of terms that are used in this Form that are not defined in the Form. If terms are not defined in that Instrument, refer to securities legislation and National Instrument 14-101 Definitions.

1.4 Plain Language

Use plain, easy to understand language in preparing the Report of Material Change or Disclosable Event. Avoid technical terms but, if necessary, explain them in a clear and concise manner.

PART 2 CONTENTS OF REPORT

2.1 Reason for Filing

Use a mark to indicate whether this report is being filed to report either or both of the following:

Material Change

Disclosable Event.

2.2 Name and Address

State the Venture Issuer’s full name and the address of its principal office.

2.3 Date of Material Change or Disclosable Event

State the date of the material change or Disclosable Event being reported.

2.4 News Release

State the date of the news release issued under section 6.1 of Sample Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers* and the news wire or service used to disseminate it.

2.5 Summary of Material Change or Disclosable Event

Briefly summarize the nature and substance of the material change or Disclosable Event being reported including identification of whether the purpose of the report is to disclose a

- material change,
- Significant Transaction,
- Related Entity Transaction,
- Combination Transaction, or
- the re-filing of a document previously filed under Sample Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers* or the restatement of financial information in financial statements.

2.6 Full Description of Material Change or Disclosable Event

- (1) Describe the material change or Disclosable Event so that a reader can appreciate senior management's assessment of the reasonably anticipated significance and impact of the material change or Disclosable Event on the Venture Issuer's business, operations and financial position, whether positive or negative.

Specific financial forecasts are not normally required in connection with disclosure of a material change or Disclosable Event.

Guidance:

Canadian GAAP may require pro forma financial information to be included in the notes in the next Mid-Year Financial Statements or Annual Financial Statements required to be filed.

- (2) Disclose the purpose of and reasons for the material change or Disclosable Event.
- (3) If Material, disclose in respect of the material change or Disclosable Event
 - (a) the date(s) of each applicable agreement and the anticipated closing date(s),
 - (b) in respect of an acquisition, the acquisition date, as determined in accordance with the Issuer's GAAP and, in respect of a disposition, the closing date,
 - (c) the parties to the agreement or transaction and if the event or transaction is a Related Entity Transaction, the nature of the relationship that causes each applicable entity to be considered a Related Entity of the Venture Issuer,

- (d) if the Venture Issuer is acquiring or has acquired an asset or Business from a Related Entity, and a Related Entity has acquired the asset(s) or Business(es) within the prior three calendar years, the consideration paid by that Related Entity for the asset(s) or Business(es),
 - (e) for each asset, Business or liability acquired, disposed of or leased, a description including its location
 - (f) the consideration paid or to be paid for each asset, business or liability acquired, disposed of or leased, including
 - (i) on-going commitments arising from the event or transaction,
 - (ii) in respect of the completion of a Significant Transaction, an estimate of the percentage the aggregate consideration paid or received for all assets, Businesses or liabilities subject to the transaction (as reasonably anticipated to be recorded in the financial statements of the Venture Issuer) represents of the Market Capitalization of the Venture Issuer,
 - (iii) how the consideration was determined, including whether a valuation was obtained,
 - (iv) how and when the consideration is to be paid, including a description of the number and type of securities that form all or part of the consideration,
 - (v) for acquisitions, where consideration includes a cash payment, the source of funds,
 - (g) risks arising from the event or transaction,
 - (h) any plans or proposals for a significant change in the Venture Issuer's business affairs or those of an acquired business which may have a significant effect on its financial performance or financial position, for example, plans to liquidate, amalgamate or sell or lease all or substantially all of the assets of a business, and
 - (i) the identity of each person or company that has or will become or who has or will cease to be a director, Executive Officer, Principal Holder or control person in connection with the event or transaction.
- (4) If a Report of Disclosable Event is filed for a re-filing of any document previously filed under Sample Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers* or the restatement of financial information in financial statements, disclose the document being refiled or restated and the nature and substance of the change or proposed change, the reasons for the re-filing or restatement including the impact on previously filed information, and steps taken before re-filing.

2.7 Additional Disclosure and Financial Statement Requirements for Combination Transactions

- (1) Subject to subsection (4), a Venture Issuer must disclose in the Report of Material

Change or Disclosable Event the information, including financial statements and consents, required under subsection 5.2(2) and section 5.4 of Form 51-103F4 *Information Circular* to be disclosed in an Information Circular prepared for securityholders to vote on a Combination Transaction.

- (2) The exemptions in section 5.3 of Form 51-103F4 *Information Circular* are available to a Venture Issuer complying with subsection (1).
- (3) For the purposes of complying with this section, read each reference to an “Information Circular” in Part 5 of Form 51-103F4 *Information Circular* as referring to a Report of Material Change or Disclosable Event.
- (4) If disclosure required by this section has previously been provided by the Venture Issuer in another filed document, a Venture Issuer may comply with the disclosure requirements of this section by stating the name and date of that other document and that it is available on SEDAR at www.sedar.com. The Venture Issuer must also include a statement that applicable disclosure is incorporated by reference into this report. If the other document is lengthy, indicate the location of the relevant information in the other document.

2.8 Additional Disclosure for Material Changes to Prior Oil and Gas Activity Disclosure

If the report relates to a material change to the disclosure made in the most recently filed Form 51-101F1 *Statement of Reserves Data and Other Oil and Gas Information* made by the Venture Issuer under National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*, the Venture Issuer must

- (a) identify the original disclosure to which the material change relates, and
- (b) discuss how the Venture Issuer reasonably expects the material change would have affected the most recently filed Form 51-101F1 *Statement of Reserves Data and Other Oil and Gas Information* if the material change had occurred before the effective date of such statement.

2.9 Contact Person

State the name, position and telephone number of an Executive Officer of the Venture Issuer who is knowledgeable about the material change or Disclosable Event reported and the contents of the report.

2.10 Date of Report

Date the report.