

## Appendix A

### Summary of Changes to Accounting Terms and Phrases and Other Changes for the Continuous Disclosure Rules

#### A. TERMINOLOGY CHANGES

##### Accounting Terms or Phrases

We replaced the following terms or phrases used in NI 51-102 and NI 71-102 with IFRS terms or phrases.

Original Term or Phrase	IFRS Term or Phrase
accrued obligation	present value of defined benefit obligation
balance sheet	statement of financial position
capital lease	finance lease
cash flow statement	statement of cash flows
date of acquisition	acquisition date
earnings/net earnings/income/net income	profit or loss (as appropriate)
income statement	statement of comprehensive income (as appropriate)
interim financial statements	interim financial report
long-term	non-current
measurement currency	functional currency
purchase price allocation	acquisition-date amounts of assets acquired and liabilities assumed
reporting currency	presentation currency
results of operations	financial performance
reservation of an (audit) opinion	modification of (audit) or modified opinion
retroactive application	retrospective application
sales/net sales/revenues	revenue (as appropriate)
Section 3870 <i>Stock based Compensation and Other Stock based Payments</i>	IFRS 2 <i>Share-based Payment</i>
segment	reportable segment
special purpose vehicle	special purpose entity
statement of retained earnings	statement of changes in equity
The Handbook (accounting related references)	issuer's GAAP

##### Other Changes to Accounting References

Term	Explanation of Change
auditor's report on comparative annual	We revised the language regarding reliance on a predecessor auditor for purposes of comparative annual financial statements to refer to the

<b>Term</b>	<b>Explanation of Change</b>
financial statements	<p>options to be available in Canadian Auditing Standards in 2011. The options permit the current auditor to refer to the predecessor auditor's report or include the predecessor auditor's reissued report on the prior period's annual financial statements in the filing. Refer to section 3.2 of 51-102CP for the change.</p>
Business Acquisition Report (BAR) – definition of income measure	<p>The following change to the BAR requirements was made in order to maintain the existing policy objectives despite the IFRS accounting changes.</p> <p>Currently, in NI 51-102, we use the term “income from continuing operations” and it is defined as a pre-tax income measure. Our definition conflicts with IFRS because IFRS refers to this income measure as an after-tax income measure.</p> <p>For purposes of the significance tests in our BAR requirements, we replaced the term “income from continuing operations” with a new term, “acquisition test profit or loss” and defined it in Part 8 of NI 51-102 as a pre-tax income measure.</p> <p>Our rules currently refer to “income from continuing operations” in the following sections:</p> <ul style="list-style-type: none"> <li>• Subsection 8.4(7) - Preparation of Pro Forma Financial Statements</li> <li>• Subsection 13.4(1) - Exemption for Certain Credit Support Issuers</li> </ul> <p>We believe it is appropriate to continue to use this income measure in our rules because these sections refer to income measure used for accounting purposes (i.e., after-tax). However, consistent with the change described in the “Accounting Terms or Phrases” section of this chart, the phrase “income from continuing operations was changed to “profit or loss from continuing operations”.</p> <p>We removed the definition of “income from continuing operations” because we felt it was unnecessary as this income measure is not used in IFRS.</p>
BAR - step-by-step acquisition and step-by-step purchase	<p>The following change to the BAR requirements was made in order to maintain the existing policy objectives despite the IFRS accounting changes.</p> <p>We replaced the terms “step-by-step acquisition” and “step-by-step purchase” with the phrase “multiple investments in the same business” as the IFRS concept of “business combinations achieved in stages” did not capture all of the originally intended investments for purposes of section 8.11 of the BAR requirements.</p>

Term	Explanation of Change
	<p>Business combinations achieved in stages is described in IFRS as an entity obtaining control of an acquiree in which it held an equity interest immediately before the acquisition date.</p> <p>This term was too narrow for purposes of the BAR because two equity purchases that do not result in obtaining control should also be captured in section 8.11 of the BAR requirements.</p>
<p>BAR – measurement of significance tests when there are “multiple investments in the same business”</p>	<p>The following change to the BAR requirements was made in order to maintain the existing policy objectives despite the IFRS accounting changes.</p> <p>We added subsection 8.3(4.1) of NI 51-102 and subsection 8.2(3.1) of 51-102CP to clarify that the significance test calculations should not be affected by the IFRS accounting consequences of measuring business combinations achieved in stages, as the policy objective of using cost to measure “multiple investments in the same business” has not changed.</p> <p>To account for business combinations achieved in stages, IFRS requires the acquirer to remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss in profit or loss. In other words, all prior purchases that cumulatively total less than 50% are treated as if they were disposed of and reacquired at fair value on the acquisition date.</p> <p><u>Example</u>  On January 1, 2015, Company A purchases a 15% equity interest in Company B for \$100 cash.</p> <p>On June 30, 2015, Company A purchases a further 60% equity interest in Company B for \$500.</p> <p>On the acquisition date (i.e., June 30, 2015) the fair value of the original 15% equity interest has increased to \$125.</p> <p>For accounting purposes, on June 30, 2015, Company A will re-measure the original 15% equity interest from \$100 to \$125 and record a \$25 gain and record the fair value of the total purchases at \$625.</p> <p>Note: For simplicity purposes, we have not shown all of the business combination accounting consequences including the accounting for goodwill and non-controlling interest.</p> <p>For purposes of the significance tests in the BAR requirements, the</p>

Term	Explanation of Change
	<p>issuer's investment will be measured at \$600 and not the accounting fair value of \$625.</p>
<p>BAR - measurement of the investment test</p>	<p>The following change to the BAR requirements was made in order to maintain the same significance test measures despite the IFRS accounting changes.</p> <p>An issuer's "investment" in a business should be measured with the IFRS accounting measure of "consideration transferred" and then adjusted for the following items:</p> <ol style="list-style-type: none"> <li>1. Exclude the carrying value of assets and liabilities paid by the acquirer that remains in the combined entity</li> <li>2. Include acquisition-related costs</li> <li>3. Include contingent consideration</li> </ol> <p>Refer to subsection 8.3(4.2) of NI 51-102 and modified subsection 8.2(4) of 51-102CP for these changes.</p> <p><u>Example</u></p> <p>Company A purchases 100% of Company B for the following consideration:</p> <ul style="list-style-type: none"> <li>• \$100 cash</li> <li>• Machine will be given to the acquired business with a carrying value of \$10 and a fair value of \$15</li> <li>• The fair value of contingent consideration is estimated to be \$30</li> </ul> <p>Company A incurs \$20 in acquisition-related costs.</p> <p>For accounting purposes under IFRS, the fair value of the consideration transferred would be \$140 based on \$100 cash, \$10 based on the carrying value of the machine and \$30 for the contingent consideration. Acquisition-related costs of \$20 will be expensed.</p> <p>For purposes of the investment test, the investment should be measured at \$150 based on \$100 cash, \$30 for contingent consideration and \$20 for acquisition-related costs. A policy decision was made to exclude the carrying value of the machine because it is an asset that will remain with Company A (combined entity) after the acquisition.</p>
<p>CICA 3870 Stock-based Compensation and Other Stock-based Payments</p>	<p>The reference to CICA 3870 was removed in Item 9.3 of Form 51-102F5 because it was unnecessary given how it was used in the form.</p>
<p>continuity of interests</p>	<p>Reference to "continuity of interests" was removed from subsection</p>

Term	Explanation of Change
	8.4(4) of NI 51-102 as this term is not used in IFRS and therefore, the condition is no longer relevant.
date of acquisition	We removed the instruction in section 2.2 of Form 51-102F4 because a definition was not required as the Form clearly refers to the term “acquisition date” as an accounting term.
date of transition to IFRS	We added the IFRS definition of “date of transition to IFRS” to section 1.1 of NI 51-102.
deferred costs	<p>To be consistent with IFRS, the additional disclosure requirements for venture issuers without significant revenue were revised to remove the concept of deferred costs and focus on the recognition of assets in the statement of financial position. Specifically, we made the following changes:</p> <ul style="list-style-type: none"> <li>• “capitalized or expensed exploration and development costs” was replaced with “exploration and evaluation assets or expenditures”</li> <li>• “deferred development costs was replaced with “intangible assets arising from development”</li> <li>• “capitalized, deferred” was replaced with “recognized as assets”</li> </ul> <p>Refer to subsection 5.3(1) of NI 51-102 for the changes.</p>
distributions	We added the term “distributions” whenever we referred to dividends as the IFRS definition of dividends did not capture distributions. Refer to Item 6 of Form 51-102F2.
equity investees	We revised the language describing the disclosure requirements in section 5.7 of NI 51-102 for reporting issuers with significant equity investees to be consistent with IFRS terminology in IAS 28 <i>Investments in Associates</i> . Specifically in paragraphs 5.7(1)(a) and 8.6(b)(i), we replaced “summarized information as to the assets, liabilities and results of operations of the equity investee” with “summarized financial information of the equity investee, including the aggregated amounts of assets, liabilities, revenue and profit or loss”.
extraordinary items	We removed references to “extraordinary items” as IFRS does not permit the presentation of any items of income or expense as extraordinary items in the financial statements.
financial condition	We moved the instruction regarding the term “financial condition” to Part 1 of Form 51-102F1 as the term is used throughout the Form. We also revised provisions to refer to “financial condition” (e.g. overall health of the company including financial position) or “financial position” (e.g. balance sheet) as appropriate.

<b>Term</b>	<b>Explanation of Change</b>
financial statements	An inclusive definition of “financial statements” was added to clarify that interim financial reports should be considered when interpreting references to financial statements in NI 51-102. In certain cases, we revised provisions to refer to a specific set of financial statements. NI 71-102 refers to this definition in NI 51-102.
first IFRS financial statements	We added the IFRS definition of “first IFRS financial statements” to section 1.1 of NI 51-102.
forward-looking information	A definition of “forward-looking information” that uses IFRS terms was added to subsection 1.1(1) of NI 51-102. Specifically, we replaced the phrase “results of operations” with “financial performance”.
grant date fair value	The phrase “grant date fair value” was replaced with the phrase “fair value of the award on the grant date” and language was added to clarify that the value disclosed in Form 51-102F6 may differ from the value reported in the financial statements.
interpretation of “impracticable”	We added guidance to clarify how to interpret the phrase “to a reasonable person it is impracticable...” to distinguish from the IFRS definition of “impracticable” Refer to section 3.6 of 51-102CP.
materiality	We removed the sentence “This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook” from Forms 51-102F1, 51-102F2 and Companion Policy 51-102CP as the concept of materiality in securities law is distinct from the financial reporting concept of materiality in accounting standards.
operating income	A definition of “operating income” was added to subsection 1.1(1) of NI 51-102 for the purposes of subsection 8.10(3) to distinguish the oil and gas industry income measure from IFRS income measures.
plan measurement date	The “plan measurement date” was replaced with the “reporting date” in Form 51-102F6 because of the IFRS requirement to update the results of a valuation of post-employment benefit obligations for material transactions and material changes in circumstances to the end of the reporting period.
reportable segments as those terms are used in the Handbook	We removed the reference to the Handbook when referring to reportable segments in Item 1.2(a) of Form 51-102F1 and Item 5.1(1) of Form 51-102F2 because the intention is to capture all reporting issuers with a reportable segment regardless of whether they consider themselves to be captured under IFRS 8 <i>Operating Segments</i> .

<b>Term</b>	<b>Explanation of Change</b>
reverse takeover	The definition of “reverse takeover” in subsection 1.1(1) of NI 51-102 was revised so that it will continue to apply to the same transactions that are currently subject to NI 51-102. We clarified in 51-102CP that this definition includes reverse acquisitions as defined by Canadian GAAP (IFRS), as well as any transaction in which an issuer issues enough voting securities as consideration for the acquisition of an entity such that control of the issuer passes to the securityholders of the acquired entity.
Section 4250 <i>Future-Oriented Financial Information</i>	We removed section 4A.9 from 51-102CP as the guidance is no longer required after the changeover to IFRS.
transactions with related parties	Instruction (C) of Item 1.9 of Form 51-102F1 was revised to discuss the recorded amount of the transaction and “describe” the measurement basis used. As IFRS does not have a disclosure requirement to disclose how related party transactions are measured, a policy decision was made to require the issuer to describe the measurement basis used in the issuer’s MD&A.
reservation of opinion	We replaced “reservation” and “reservation of opinion” with “modification to the opinion” or “modified opinion”. These changes were made to be consistent with the terminology used in International Standards on Auditing.
use of accounting terms	Language was added to subsection 1.4(7) of 51-102CP to clarify the use of accounting terms and when the accounting or the legal meaning should apply. We also clarified in certain instances when we meant the legal meaning by adding the word “security” or “instrument” after the term. For example, the term “debt” became “debt security” or the term “derivative” became “derivative instruments”.
U.S. GAAS	The definition of U.S. GAAS in NI 52-102 was replaced with definitions for U.S. AICPA GAAS and U.S. PCAOB GAAS to be consistent with the definitions used in section 1.1 of NI 52-107. This change was made to differentiate between auditing standards of the American Institute of Certified Public Accountants (for non-SEC registrants) and the Public Company Accounting Oversight Board (for SEC registrants).
variable interest entity	We removed references to “variable interests” and “variable interest entities” from the MD&A Form 51-102F1 as IFRS does not use this terminology.

## B. TRANSITION CHANGES

Item	Explanation of Change	Reference
IAS 1 opening statement of financial position	In certain instances, when an issuer applies an accounting policy retrospectively, makes a retrospective restatement of items in its financial statements or reclassifies items in its financial statements, IAS 1 <i>Presentation of Financial Statement</i> requires the presentation of an opening statement of financial position. NI 51-102 will require the filing of this opening statement of financial position in both annual financial statements and interim financial reports.	<p>NI 51-102, paragraph 4.1(1)(c) Comparative Annual financial Statements and Audit</p> <p>NI 51-102, paragraph 4.3(2)(d) Interim Financial Report</p> <p>NI 51-102, paragraph 4.8(6)(c) Comparative Financial Information in Annual Financial Statements for New Financial Year</p> <p>NI 51-102, paragraph 4.8(7)(c) Comparative Financial Information in each Interim Financial Report if Interim Periods Not Changed in Transition Year</p> <p>NI 51-102, paragraph 4.8(8)(c) Comparative Financial Information in Interim Financial Reports if Interim Periods Changed in Transition Year</p>
IFRS 1 opening statement of financial position	IFRS 1 requires that an opening statement of financial position be prepared at the date of transition to IFRS. NI 51-102 will require the opening statement of financial position to be presented in an issuer's first interim financial report that discloses compliance with International Accounting Standard 34 <i>Interim Financial Reporting</i> and in an issuer's first IFRS financial statements. This opening statement of financial position is the starting point for an issuer's accounting under IFRS and provides meaningful information to investors.	<p>NI 51-102, paragraph 4.1(1)(d) Comparative Annual financial Statements and Audit</p> <p>NI 51-102, paragraph 4.3(2)(e) Interim Financial Report</p> <p>NI 51-102, paragraph 4.8(6)(d) Comparative Financial Information in Annual Financial Statements for New Financial Year</p> <p>NI 51-102, paragraph 4.8(7)(d) Comparative Financial Information in each Interim</p>

Item	Explanation of Change	Reference
		<p>Financial Report if Interim Periods Not Changed in Transition Year</p> <p>NI 51-102, paragraph 4.8(8)(d) Comparative Financial Information in Interim Financial Reports if Interim Periods Changed in Transition Year</p>
<p>presentation of statement of cash flows</p>	<p>Currently, NI 51-102 and existing Canadian GAAP require issuers to present an interim cash flow statement for the current interim period and the year-to-date interim period (e.g., 3 months ending June 30 and 6 months ending June 30).</p> <p>IFRS only requires the presentation of a statement of cash flows for the year-to-date interim period (e.g., 6 months ending June 30).</p> <p>We have revised NI 51-102 to eliminate the requirement to also file a statement of cash flows for the most recent interim period (i.e., 3 months ending June 30) because it is not required in IFRS.</p> <p>A discussion of this statement for the current interim period was also removed from disclosure requirements of MD&amp;A Form 51-102F1.</p>	<p>NI 51-102, paragraph 4.3(2)(c) Interim Financial Report</p>
<p>presentation of statement of comprehensive income</p>	<p>We added filing requirements for the statement of comprehensive income based on the presentation options available under IFRS. If a reporting issuer presents the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income.</p>	<p>NI 51-102, subsection 4.1(3) Comparative Annual Financial Statements and Audit</p> <p>NI 51-102, subsection 4.3(2.1) Interim Financial Report</p>
<p>filing extension</p>	<p>Part 14 of NI 51-102 includes transition</p>	<p>NI 51-102, Part 14</p>

Item	Explanation of Change	Reference
	<p>provisions that provide reporting issuers with a 30 day extension to the filing deadline for the first IFRS interim financial report in respect of an interim period beginning on or after January 1, 2011. We believe this filing extension should be provided as the first IFRS interim financial report will be due not long after the filing of the Canadian GAAP annual financial statements. We recognize that boards of directors, audit committees, and in some cases auditors, will require additional time to review and approve the first set of IFRS financial statements. It should also be noted that other jurisdictions which transitioned to IFRS also granted filing extensions for the first IFRS filing, even though they only require issuers to file on a half-yearly basis.</p> <p>We have not provided reporting issuers with additional time to file subsequent IFRS interim financial reports or the first IFRS annual financial statements as we believe the filing deadlines applicable to financial statements are reasonable and appropriate after the initial changeover to IFRS.</p>	
interpretation of acceptable accounting principles other than IFRS	We added language to subsection 1.4(8) of 51-102CP to clarify that issuers filing financial statements prepared in accordance with acceptable accounting principles other than IFRS may interpret any reference in the rules to a term or provision defined, or referred to, in IFRS as a reference to the corresponding term or provision in the other acceptable accounting principles.	51-102CP, subsection 1.4(8)
MD&A supplement	One proposed change to NI 52-107 is the elimination of the requirement in section 4.1 of that Instrument for an SEC issuer that previously used Canadian GAAP and	NI 51-102, subsections 5.2(1.1) and (2)  Form 51-102F1, Part 1 section (i)

Item	Explanation of Change	Reference
	<p>changed to US GAAP to reconcile its financial statements to Canadian GAAP for two years. This change is effective for fiscal years beginning on or after January 1, 2011. NI 51-102 requires that this reconciliation is discussed in an MD&amp;A supplement.</p> <p>As this reconciliation requirement will be eliminated, we propose to remove the related requirements for an MD&amp;A supplement in subsections 5.2(1.1) and (2) of NI 51-102. We have also removed section (i) Foreign Accounting Principles from Part 1 of Form 51-102F1.</p>	
acquisition statements	As NI 52-107 proposes, except in Ontario, that acquisition statements be permitted to be prepared in accordance with Canadian GAAP for private enterprises in certain circumstances, we have made changes to Part 8 of NI 51-102 and 51-102CP to address this proposal.	NI 51-102, subsections 8.4(3.1) and (3.2) and section 8.12  51-102CP, subsections 8.2(2), 8.7(5) and 8.7(9)

### C. HOUSEKEEPING CHANGES

Explanation of Change	Reference
References to Regulation S-B and Form 10-KSB have been deleted as a result of recent amendments to U.S. securities laws.	NI 51-102 Section 1.1  NI 71-102 Section 1.1
References to the Investment Industry Regulatory Organization of Canada have been updated.	NI 51-102 Section 1.1 Definition of “inter-dealer bond broker”  NI 71-102 Section 1.1 Definition of “inter-dealer bond broker”

<b>Explanation of Change</b>	<b>Reference</b>
National Instrument 52-107 <i>Acceptable Accounting Principles, Auditing Standards and Reporting Currency</i> is proposed to be renamed National Instrument 52-107 <i>Acceptable Accounting Principles and Auditing Standards</i> . We have updated NI 51-102 for this name change.	Throughout NI 51-102
References to "...on www.sedar.com" were replaced with "...at www.sedar.com".	NI 51-102 Section 5.8
Removed the reference to "gross profit" as it is a non-GAAP financial measure.	NI 51-102 Paragraph 8.4(7)(e)
Paragraph 8.10(3)(d) was removed because this condition is not necessary in order for the alternative oil and gas disclosure to be appropriate in a business acquisition report.	NI 51-102 Paragraph 8.10(3)(d)
Language was added to correct an omission in NI 51-102 that results in the provision unintentionally restricting the form of proxy that may be sent to securityholders by a dissident securityholder.	NI 51-102 Paragraph 9.4(9)(a)
The title of the section was renamed "Discussion of Operations".	Form 51-102F1 Item 1.4
The reference to "long-term" in the contractual obligations chart was removed because the policy objective was to obtain disclosure of all contractual obligations.	Form 51-102F1 Item 1.6
We added the word "financial" to make "financial liabilities" as the contractual obligations table should be limited to "financial liabilities".	Form 51-102F1 Item 1.6
We added the word "activities" to make the phrase "hedging activities" to be consistent with other references to "hedging activities" throughout our securities rules.	Form 51-102F1 Instruction of Item 1.8
References to "income" were replaced with "revenue".	Form 51-102F1 Item 1.14
We revised the heading of Item 3 to "Financial Statements and Other Information" to be consistent with the substance of the section.	Form 51-102F4 Item 3
Language was added to clarify that disclosure requirements for certain significant acquisitions and restructuring transactions apply to a "company, business or entity".	Form 51-102F5 Section 14.2
Reference to "Multilateral Instrument 52-109" was updated to "National Instrument 52-109".	Form 51-102F6 Commentary to

<b>Explanation of Change</b>	<b>Reference</b>
	Item 1.3
References to “enterprise” were replaced with “entity” to be consistent with other sections of NI 51-102.	51-102CP Subsection 1.4(5)
The reference to Handbook in relation to “control” was removed as it was unnecessary.	51-102CP Subsection 1.4(5)
<p>The following titles were renamed:</p> <ul style="list-style-type: none"> <li>• Part 4 Disclosure and Presentation of Financial Information</li> <li>• Section 4.1 Disclosure of Financial Information</li> <li>• Section 4.3 Presentation of Financial Information</li> </ul>	51-102CP Part 4
The contact information was updated for the regulators in the Yukon, Nunavut and the Northwest Territories.	51-102CP Part 13
References to “going private transaction” were replaced with “business combination” to reflect the terminology used in Multilateral Instrument 61-101.	NI 71-102, sections 4.14 and 5.15
Part 6 of NI 71-102 was deleted as that Part, which until January 1, 2005 provided relief to foreign transition issuers from certain securities legislation requirements, will no longer have relevance when the amendments to NI 71-102 come into force. References to Part 6 in 71-102CP were also removed.	NI 71-102 Part 6
Reference to “Multilateral Instrument 52-110” was updated to “National Instrument 52-110”.	71-102CP Section 6.4