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\$ 3,500,000

Jan 19, 2007

FORM 45-106F1

Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Issuer information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.

Name of issuer: Iciena Ventures Inc. (the "Issuer")
Head Office Address: 200 - 675 West Hastings Street
Vancouver, British Columbia
V6B 1N2
Telephone Number: (250) 868-2096

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B.C. Securities Commission

Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The Issuer is a reporting issuer in British Columbia and Alberta.

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- Bio-tech
Financial Services
investment companies and funds
mortgage investment companies
Forestry
Hi-tech
Industrial
Mining
exploration/development
production
Oil and gas
Real estate
Utilities
Other (describe)

Details of Distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

See attached Schedule I

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

January 19, 2007

Item 6: For each security distributed:

- (a) describe the type of security,
- (b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- (c) state the exemption(s) relied on.

Private placement of 35,000,000 units (the "Units") at the price of \$0.10 per Unit. Each Unit consists of one common share of the Issuer ("Share") and one half of one share purchase warrant ("Warrant"). Each whole Warrant entitling the holder thereof to purchase one Share on or before January 19, 2009 at an exercise price of \$0.15 per Share.

Exemptions relied on: sections 2.3(2) and 2.5(2) of National Instrument 45-106; B.C. Instrument 72-503.

Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Alberta	14	\$0.10	\$222,000.00
Australia	1	\$0.10	\$10,000.00
Bahamas	1	\$0.10	\$10,000.00
British Columbia	93	\$0.10	\$2,310,000.00
Monaco	1	\$0.10	\$12,500.00
New Zealand	1	\$0.10	\$30,500.00
Ontario	7	\$0.10	\$330,000.00
Saskatchewan	1	\$0.10	\$10,000.00
Switzerland	3	\$0.10	\$310,000.00
England	7	\$0.10	\$245,000.00
U.S.A.	1	\$0.10	\$10,000.00
Total number of Purchasers	130		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$3,500,000.00

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold for.

Commissions and finder's fees

Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
Bolder Investment Partners Ltd. 2000-400 Burrard Street Vancouver, BC V6C 3A6	\$9,250.00	N/A	N/A	N/A	\$9,250.00
Haywood Securities Inc. 20th Floor, Commerce Place 400 Burrard Street Vancouver, B.C. V6C 3A6	\$51,000.00	N/A	N/A	N/A	\$51,000.00
Dundee Securities Corp. Four Bentall Centre, Suite 3424 1055 Dunsmuir Street Vancouver, B.C. V7X1K8	\$15,000.00	N/A	N/A	N/A	\$15,000.00
Golden Capital Securities Ltd. #168, 1177 West Hastings Street Vancouver, B.C., Canada V6E 3K3	\$5,000.00	N/A	N/A	N/A	\$5,000.00
Clifton Consulting 198 Whonoak Road West Vancouver, B.C. V7P 3R1	\$72,725.00	N/A	N/A	N/A	\$72,725.00
Canaccord Capital Corp. 609 Granville St, Suite 2000 Vancouver, BC V7Y 1H2	\$5,450.00	N/A	N/A	N/A	\$5,450.00
Blackmont Capital Inc. 550 Burrard St-500 Bentall 5 Vancouver BC V6C 2B5	\$5,000.00	N/A	N/A	N/A	\$5,000.00

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
Steve Voelpel 306-1772 Pendrell Street, Vancouver, B.C. V6G 1T1	\$7,800.00	N/A	N/A	N/A	\$7,800.00
Alex Kuznecov 1558 West Hasting Street Vancouver, B.C. V6G 3J4	\$3,275.00	N/A	N/A	N/A	\$3,275.00
Gary MacDonald 2202 717 Jervis Street Vancouver, B.C. V6B 4L5	\$500.00	N/A	N/A	N/A	\$500.00
	\$175,000.00				\$175,000.00

Item 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

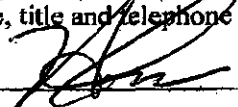
Certificate

On behalf of the Issuer, I certify that the statements made in this report are true.

Date: January 19, 2007

Iciena Ventures Inc.
Name of issuer (please print)

Harry Lappa, Director, Tel: (250) 868-2096
Print name, title and telephone number of person signing


Signature

Item 10: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.