

Form 45-106F6

British Columbia Report of Exempt Distribution

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

Issuer information

Item 1: Issuer name and contact information

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

Parallel Mining Corp.

3rd Floor – Bellevue Centre

235-15th Street, West Vancouver, BC

V7T 2X1

Telephone: (604) 921-1810

Email: rahoul@uniserve.com

Website address: N/A

B. If an underwriter is completing this report, state the following:

the full name of the underwriter;

the underwriter's website address; and

the address, telephone number and email address of the underwriter's head office.

Not applicable.

Item 2: Reporting issuer status

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

This Issuer is a Reporting Issuer in the jurisdictions of British Columbia and Alberta.

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

Not applicable.

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

- | | |
|---|---|
| <input type="checkbox"/> Bio-tech | Mining |
| Financial Services | <input checked="" type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Other (describe) |
-

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
Not applicable.			

Details of distribution

Item 5: Distribution date

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

February 24, 2012

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;
- 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
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.
 - 5,020,000 Units (“Units”), each Unit being comprised of one common share in the capital of the Company and one share purchase warrant of the Company with each such share purchase warrant entitling the holder to purchase one additional common share of the Company on or before February 24, 2014 at a price of \$0.25 for a period of 24 months after the closing date. Exemption NI 45-106, Sections #2.3 and #2.5.

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder’s fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	47	\$0.18	\$759,600
Ontario	1	\$0.18	\$144,000
Total number of Purchasers	48		

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$903,600.00

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

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
COLEMAN INVESTMENTS LTD. 3 RD FLOOR BELLEVUE CENTRE 235 15 TH STREET WEST VANCOUVER, BC V7T 2X1		100,000	\$18,000	NI 45-106, s. 2.3	2012-02-24

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Phone: (604) 721-1710					
PINETREE RESOURCE PARTNERSHIP 2500-130 KING STREET WEST TORONTO, ON M5X 1A9 Phone: (416) 941-9600	I	800,000	\$144,000	NI 45-106, s. 2.3	2012-02-24
		900,000	\$162,000		

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

A. 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 information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, 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	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	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 (Canadian \$)	
				Exemption relied on and date of distribution (yyyy-mm-dd)	

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	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 (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
Canaccord Genuity Corp. 2200-609 Granville Street, Vancouver, BC, V7Y 1H2	R	\$6,710.40 (8% of \$514,800 sold of the total gross Offering payable in cash equal to \$41,184 of which Canaccord opted to convert \$34,473.60 into Units ⁽¹⁾)	N/A	N/A	NI 45-106, s. 2.3 2012-02-24	\$6,710.40
Canaccord Genuity Corp. 2200-609 Granville Street, Vancouver, BC, V7Y 1H2	R	N/A	191,520 Units ⁽¹⁾ (\$34,473.60 of \$41,184 cash commissions converted into Units ⁽¹⁾)	\$0.18 per unit	NI 45-106, s. 2.3 2012-02-24	\$34,473.60
Canaccord Genuity Corp. 2200-609 Granville Street, Vancouver, BC, V7Y 1H2	R	N/A	228,800 Finder's Warrants ⁽²⁾ (8% of 2,860,000 Units sold)	Nominal	NI 45-106, s. 2.3 2012-02-24	N/A
Haywood Securities Inc. 700-200 Burrard Street Vancouver, BC V6C 3L6	R	\$10,008 (8% of \$125,100 sold of the total gross Offering payable in cash)	N/A	N/A	NI 45-106, s. 2.3 2012-02-24	\$10,008
Haywood Securities Inc. 700-200 Burrard Street Vancouver, BC V6C 3L6	R	N/A	55,600 Finder's Warrants ⁽²⁾ (8% of 695,000 Units sold)	Nominal	NI 45-106, s. 2.3 2012-02-24	N/A

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	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 (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
PI Financial Corp. 1900-666 Burrard Street Vancouver, BC V6C 3N1	R	\$4,320 (8% of \$54,000 sold of the total gross Offering payable in cash)	N/A	N/A	NI 45-106, SEC. 2.3-106, s. 2.3 2012-02-24	\$4,320
PI Financial Corp. 1900-666 Burrard Street Vancouver, BC V6C 3N1	R	N/A	24,000 Finder's Warrants ⁽²⁾ (8% of 300,000 Units sold)	Nominal	NI 45-106, SEC. 2.3-106, s. 2.3 2012-02-24	N/A

(1) Cash commissions equal to \$34,473.60 were converted into 191,520 Units having the same terms and conditions as the subscriber Units. Each Unit being comprised of one common share and one share purchase warrant exercisable to purchase one additional share of the Issuer at a price of \$0.25 for two years after closing.

(2) Each Finder's Compensation Warrant is exercisable to purchase one additional common share of the Issuer, for a price of \$0.25 for two years after closing.

Certificate

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

Date: March 1, 2012

Parallel Mining Corp.

Name of issuer (please print)

Bev Funston, Corporate Secretary, Phone: (604) 921-1810

Print name, title and telephone number of person signing

"Bev Funston"

Signature

Instruction

The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.

Item 10: Contact information

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.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free across Canada: 1-800-373-6393
Facsimile: (604) 899-6581