

**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/underwriter information**

**Item 1: Issuer/underwriter 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.

**Issuer:** Cedar Mountain Exploration Inc. ("Cedar Mountain")  
cedarmountainexp.com/  
72 Elmont Court S.W.  
Calgary, Alberta T3H 5Z8  
T: (403) 455-5641  
[info@cedarmountainexp.com](mailto:info@cedarmountainexp.com)

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.

**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.

**Cedar Mountain is a reporting issuer in Alberta and British Columbia.**

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.

### Item 3: Issuer's industry

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

- |   |   |
|---|---|
| <input type="checkbox"/> Bio-tech                       | Mining  |
| <input type="checkbox"/> 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.

N/A

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 \$)

### 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.

**March 6, 2012**

**Item 6: Number and type of securities**

For each security distributed:

- describe the type of security;

**Units, each Unit convertible for one common share in the capital of Cedar Mountain ("Common Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant").**

- 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

**32,000,000 Common Shares**

**16,000,000 Warrants – exchangeable for a period of 24 months from the date of issuance for 16,000,000 Common Shares at an exercise price of \$0.35 per Common Share**

- 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.

**N/A**

**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.

<b>Each Jurisdiction Where Purchasers Reside</b>	<b>Number of purchasers Units</b>	<b>Price Per Security (Cdn. \$)<sup>1</sup> Units</b>	<b>Total Dollar Value Raised From Purchasers In The Jurisdiction (Cdn. \$) Units</b>
British Columbia	99	<b>\$0.20</b>	\$3,200,000
Alberta	24	<b>\$0.20</b>	\$562,000
Saskatchewan	1	<b>\$0.20</b>	\$20,000
Ontario	8	<b>\$0.20</b>	\$1,741,000
Quebec	1	<b>\$0.20</b>	\$5,000
United States of America	3	<b>\$0.20</b>	\$200,000
International	42	<b>\$0.20</b>	\$672,000
<b>Total Number of Purchasers</b>	<b>178</b>		
<b>Total Dollar Value of distribution in all jurisdictions (Cdn. \$)</b>			<b>\$6,400,000</b>

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.

### Sales in British Columbia

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 \$)	Date of distribution
Sotet Capital Ltd. 21985 86A Avenue Fort Langley, B.C. V1M 3S7 604-684-6707	N/A	300,000 Units	\$60,000	March 6, 2012
Western Lion Limited Partnership 114 – 744 West Hastings Street Vancouver, B.C. V6C 1A5 604-638-2643	N/A	175,000 Units	\$35,000	March 6, 2012
JAG Holdings Ltd. #2301 – 837 West Hastings Street Vancouver, B.C. V6C 3N7 604-895-7420	N/A	350,000 Units	\$70,000	March 6, 2012
Chartek Consultants Ltd. Suite 1200 – 666 Burrard Street Vancouver, B.C. V6C 2X8 604-685-1096	N/A	100,000 Units	\$20,000	March 6, 2012
Millerd Holdings Ltd. 833 West 3 <sup>rd</sup> Street North Vancouver, B.C. V7P 3K7 604-904-7833	N/A	300,000 Units	\$60,000	March 6, 2012
Ron Lankester Inc. 902 – 1412 Esquimalt Avenue West Vancouver, B.C. V7T 1K7 604-861-7805	N/A	50,000 Units	\$10,000	March 6, 2012

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 \$)	Date of distribution
Winkie Investments Ltd. 4149 Cypress Street Vancouver, B.C. V6J 3P7 604-261-3300	N/A	100,000 Units	\$20,000	March 6, 2012
Batell Investments Ltd. 3999 40 <sup>th</sup> Street Delta, B.C. V4K 3N2 604-946-6392	N/A	100,000 Units	\$20,000	March 6, 2012
Pathfinder Partner's Fund #1320 – 885 West Georgia Street Vancouver, B.C. V6C 3E8 604-682-7312	N/A	1,500,000 Units	\$300,000	March 6, 2012
Monaghan Engineering & Consulting Corp. Brian Monaghan 954 Mt. Bulman Drive Vernon, B.C. V1B 2Z1 250-503-1023	N/A	30,000 Units	\$6,000	March 6, 2012
BC534597 Ltd. 2681 20 <sup>th</sup> Avenue SE Salmon Arm, B.C. V1E 1X9 250-832-3770	N/A	200,000 Units	\$40,000	March 6, 2012
GRF Consulting Corp. Gary Freeman 680 – 789 Pender Street West Vancouver, B.C. V6C 1H2 604-682-4418	N/A	85,000 Units	\$17,000	March 6, 2012
Pathfinder Partner's Fund #1320 – 885 West Georgia Street Vancouver, B.C. V6C 3E8 604-682-7312	N/A	500,000 Units	\$100,000	March 6, 2012
Cervaro Investment Ltd. 885 Everett Crescent Burnaby, B.C. V5A 2N3 604-291-9296	N/A	300,000 Units	\$60,000	March 6, 2012
David N. Malm Anesthesia Inc. 5550 Laburnum Street Vancouver, B.C. V6M 3S8 604-261-5355	N/A	100,000 Units	\$20,000	March 6, 2012
Chilcotin Capital Corp. John Robins Suite 1020 800 Pender Street West Vancouver, B.C. V6C 2V6 604-657-6226	N/A	500,000 Units	\$100,000	March 6, 2012

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 \$)	Date of distribution
JAG Holdings Ltd. John Greig 2301 – 837 Hostings Street West Vancouver, B.C. V6C 3N7 604-895-7420	N/A	250,000 Units	\$50,000	March 6, 2012
<b>Total:</b>		<b>4,940,000 Units</b>	<b>\$988,000</b>	

## Sales in Alberta

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 \$)	Date of distribution
691487 Alberta Inc. 140 Tuscany Ravine Terrace NW Calgary, Alberta T3L 2S7 403-547-9647	N/A	35,000 Units	\$7,000	March 6, 2012
Halcorp Capital Ltd. 7928 Rowland Road Edmonton, Alberta T6A 3W1 780-414-0763	N/A	400,000 Units	\$80,000	March 6, 2012
801456 Alberta Ltd. Peter Dickson Suite 218, 10458 Mayfield Road NW Edmonton, Alberta T5P 4P4 780-484-3794	N/A	75,000 Units	\$15,000	March 6, 2012
937137 Alberta Ltd. Joanne Price P.O. Box 5938, Stn. Forces Cold Lake, Alberta T9M 2C4 780-953-5575	N/A	25,000 Units	\$5,000	March 6, 2012
The Insight Limited Partnership II 350 – 318, 11 <sup>th</sup> Avenue SE Calgary, Alberta T2G 0Y2 403-221-0915	N/A	100,000 Units	\$20,000	March 6, 2012
1150418 Alberta Ltd. James Salamon 21018 60 <sup>th</sup> Avenue Edmonton, Alberta T6M 0H6	N/A	40,000 Units	\$8,000	March 6, 2012

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 \$)	Date of distribution
306-665-8890				
1336132 Alberta Ltd. Jason Ratzlaff 3412 McKay Lane SW Edmonton, Alberta T6W 1L5 306-665-8840	N/A	20,000 Units	\$4,000	March 6, 2012
Eugene Sekora Professional Corp. Eugene Sekora 2403 113 <sup>th</sup> Street NW Edmonton, Alberta T6J 4Y7 780-428-6228	N/A	140,000 Units	\$28,000	March 6, 2012
<b>Total:</b>		<b>835,000 Units</b>	<b>\$167,000</b>	

## Sales in Ontario

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 \$)	Date of distribution
Pinetree Resource Partnership 2500 – 130 King Street West Toronto, Ontario M5X 1A9 416-941-9600	N/A	2,500,000 Units	\$500,000	March 6, 2012
Front Street Investment Management Inc. Suite 600 33 Yonge Street Toronto, Ontario M5E 1G4 416-915-2441	N/A	3,750,000 Units	\$750,000	March 6, 2012
Acker Finley Asset Management Marian Buklis #1400, 181 University Avenue Toronto, Ontario M5H 3M7 416-777-9005	N/A	2,000,000 Units	\$400,000	March 6, 2012
<b>Total:</b>		<b>8,250,000 Units</b>	<b>\$1,650,000</b>	



## Sales in the United States of America

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 \$)	Date of distribution
Mud Cattle Company 11 North Main Street Buffalo, WY 82834 United States of America 307-620-0456	N/A	400,000 Units	\$80,000	March 6, 2012
<b>Total:</b>		<b>400,000 Units</b>	<b>\$80,000</b>	

## International Sales

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 \$)	Date of distribution
Carlton Garage Ltd. Yew Tree Barn White Horse Lane Barton Preston, Lancashire PR3 5AH United Kingdom 44-1995-640305	N/A	25,000 Units	\$5,000	March 6, 2012
Pilling & Co Henry Pilling House Booth Street, Manchester M2 4AF United Kingdom 44-161-831-6581	N/A	575,000 Units	\$115,000	March 6, 2012
Lily Lodge Ltd. 22 – 26 Dickson Road Blackpool, Lancashire FY1 2AE United Kingdom 44-1253-295559	N/A	25,000 Units	\$5,000	March 6, 2012
Dragon Equities Limited 22 Grosvenor Square London, England W1K 6LF 44-207-529-7500	N/A	150,000 Units	\$30,000	March 6, 2012
Datmix Investments Limited Herrengasse 2 P.O. Box 562 FL-9490 Vaduz, Liechtenstein 011-423-237-50-09	N/A	150,000 Units	\$30,000	March 6, 2012
Gold Equity Holdings Limited Herrengasse 2 P.O. Box 562	N/A	50,000 Units	\$10,000	March 6, 2012

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 \$)	Date of distribution
FL-9490 Vaduz, Liechtenstein 011-423-237-50-09				
Platoro Investments Limited 303 Aarti Chambers Mont Fleuri, P.O. Box 983 Victoria, Mahe, Seychelles 011-44-7504-243451	N/A	200,000 Units	\$40,000	March 6, 2012
Resource Early Stage Opportunities Company Limited C/O Walkers Corporate Services 90 Jermyn Street, London SW1Y 6JD United Kingdom 44-(0)-207-830-9340	N/A	500,000 Units	\$100,000	March 6, 2012
Hornbuckle Mitchell Trustees Ltd. Private Pension Martin Brown Paints Ltd. Cotton Court Middlewich Road Holmes Chapel, Cheshire CW4 7ET United Kingdom 44-1253-739348	N/A	25,000 Units	\$5,000	March 6, 2012
Hornbuckle Mitchell Trustees Ltd., Private Pension Relax Pension Scheme Cotton Court, Middlewich Road, Holmes Chapel, Cheshire CW4 7ET United Kingdom 44-14770539202	N/A	35,000 Units	\$7,000	March 6, 2012
<b>Total:</b>		<b>1,735,000 Units</b>	<b>\$347,000</b>	

## 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	
Canaccord Genuity Corp. 2200-609 Granville Street Vancouver, BC V7Y 1H2	R	\$275,600	2,015,000 Broker Warrants;  350,000 Common Shares and 175,000 Warrants, which comprise the Units representing payment of a corporate finance fee.	N/A	Section 2.3 of NI – 45-106;  March 6, 2012	\$275,600
Haywood Securities Inc. 700 – 200 Burrard Street Vancouver, B.C. V6C 3L6	R	\$119,500	1,000,000 Broker Warrants	N/A	Section 2.3 of NI – 45-106;  March 6, 2012	\$119,500
HBS Financial Planning Ltd. 3 Calder Court, Shorebury Point, Amy Johnson Way Blackpool, Lancashire FY4 2RH	R	\$10,500	N/A	N/A	Section 2.3 of NI – 45-106;  March 6, 2012	\$10,500
NBCN Inc. Mezzanine 100 – Securities Dept. 1010 rue de la Gauchetiere West Montréal, QC H3B 5J2	R	N/A	105,000 Broker Warrants	N/A	Section 2.3 of NI – 45-106;  March 6, 2012	N/A

#### Notes

- (1) 3,105,000 broker warrants (the "**Broker Warrants**") were issued forming part of the brokers' fees entitling the brokers to acquire one Common Share at an exercise price of \$0.20 until March 6, 2014. 2,015,000

Broker Warrants were issued to Canaccord Genuity Corp., 105,000 Broker Warrants were issued to NBCN Inc. and 1,000,000 Broker Warrants were issued to Haywood Securities Inc.

- (2) 175,000 Warrants were issued to Canaccord Genuity Corp., representing part of the payment of a corporate finance fee, and are convertible for 175,000 Common Shares until March 6, 2014 at an exercise price of \$0.35.

## **Certificate**

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

Date: March 14, 2012

Cedar Mountain Exploration Inc.

Name of [issuer/underwriter] (please print)

**Dale Hansen,  
Chief Financial Officer  
(403) 455-5641**

Print name, title and telephone number of person signing

"Dale Hansen"

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.

**As above.**

**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