

**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:            BUKIT ENERGY INC. (the "**Issuer**")  
                      2310, 700 – 2ND St SW  
                      Calgary, Alberta T2P 2W2  
                      1-403-930-2250

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**

The offering was a non-brokered distribution.

**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.

The Issuer is not a reporting issuer in any jurisdiction in Canada.

- 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.

The Issuer is not an investment fund.

**Item 3: Issuer's industry**

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

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

#### 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 \$)
Dr Sean Guest, Calgary, Canada	Director and Chief Executive Officer	200,000 preferred B shares 75 convertible debentures	\$325,000
Dr Tim England, Calgary, Canada	Director & Officer	500,000 common shares 66,667 preferred A shares 70,001 preferred B shares 25 convertible debentures	\$762,500
Eamon Hurley, Calgary, Canada	Officer	500,000 common shares 66,667 preferred A shares 109,999 preferred B shares 25 convertible debentures	\$812,500
Gordon Begg, Jakarta, Indonesia	Officer	500,000 common shares 44,445 preferred A shares 109,999 preferred B shares	\$737,500
Jerry Sykora, Calgary, Canada	Director	500,000 common shares 44,445 preferred A shares 108,000 preferred B shares	\$735,000
Donald R Hansen, Calgary, Canada	Director	500,000 common shares 66,667 preferred A shares 80,000 preferred B shares 125 convertible debentures	\$875,000
Paul A. Gilleran, City Beach, Australia	Director	300,000 common shares 55,549 preferred A shares 80,000 preferred B shares	\$487,500
Robert B. Hodgins, Calgary, Canada	Director	100,000 common shares 25 convertible debentures	\$125,000
Gary S. Guidry, Sundre, Canada	Director	350,000 common shares 40 convertible debentures	\$372,500

## 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.

January 22, 2016

January 28, 2016

February 9, 2016

### Item 6: Number and type of securities

For each security distributed:

- describe the type of security:

Convertible debentures (the “**Debentures**”)

- 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:
  - 1,185 Debentures were distributed
  - Each Debenture will be convertible upon the occurrence of a Qualified Liquidity Event, as defined below, at each Debenture holder’s option into Common Shares and Warrants of the Issuer. Debentures will be converted to Common Shares (the “**Converted Commons**”) on a dollar for dollar basis calculated using the then outstanding amount of principal and interest owed to the Debenture holder and the volume weighted average trading price of the Common Shares of the Issuer on a Recognized Exchange, for the first consecutive ten (10) day period, that the Issuer’s Common Shares are freely traded, immediately following the Qualified Liquidity Event (the “**Conversion Price**”). The number of Warrants, each being a full warrant, to be issued to a Debenture holder shall be equal to the same number of Converted Commons provided to such Debenture holder, with an exercise price equal to the same amount as the Conversion Price (the “**Exercise Price**”). Each Warrant will entitle the holder to acquire a Common Share at the Exercise Price for a period of three years. Each Debenture holder’s option to convert upon occurrence of a Qualified Liquidity Event shall expire on the fourteenth (14th) day following the date of the Qualified Liquidity Event (the “**Holder Option Period**”). Subject to the certain accelerated maturity provisions, all Debentures that have not been converted by the end of the Holder Option Period shall remain outstanding to the Maturity Date.
    - “**Change of Control Transaction**” means (a) the acquisition of voting securities of the Issuer in a single transaction, or in a series of related transactions (other than a treasury issuance of securities), as a result of which the holders of all of the voting securities of the Issuer prior to the

transaction (or series of related transactions) hold immediately after such transaction (or series of related transactions), directly or indirectly, securities to which are attached 50% or less of the voting power with respect to the Issuer or (b) a single transaction or a series of related transactions resulting in the acquisition of the Issuer by another entity or any amalgamation, arrangement, reorganization, merger, consolidation or share exchange which results in the sale or transfer of all or substantially all of the assets of the Issuer;

- **“Common Shares”** means the common shares in the capital of the Issuer;
- **“Maturity Date”** means January 31, 2017;
- **“Qualified Liquidity Event”** means:
  - the closing of an initial public offering or similar “going public” transaction with a concurrent listing on a Recognized Exchange; or
  - a Change of Control Transaction;
- **“Recognized Exchange”** means any one of the London Stock Exchange, London AIM Exchange, the New York Stock Exchange, the Toronto Stock Exchange, the TSX Venture Exchange, the Australian Securities Exchange, Hong Kong Stock Exchange and the Singapore Exchange; and
- **“Warrants”** means warrants of the Issuer entitling the holder thereof to acquire one Common Share for each such warrant at the Conversion Price for a period of three years from the date of issuance of such warrant.

The total number of securities which were distributed in reliance upon exemptions for which the filing of this report is required is:

1,185 Debentures.

- 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.

The Issuer is not an investment fund.

## 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 jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$)*	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Alberta	10	\$1,000 per Debenture	\$675,000
British Columbia	1	\$1,000 per Debenture	\$200,000
Saskatchewan	2	\$1,000 per Debenture	\$200,000
United States of America	1	\$1,000 per Debenture	\$10,000
Australia	1	\$1,000 per Debenture	\$100,000
Total number of Purchasers	15		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$1,185,000

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

All securities were issued at the same price.

## 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 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)
Cypress Capital Management 700 - 1055 W. Georgia St Vancouver, BC V6E 3P3 Contact: Shaun Kozan 604-654-1259	N/A	200 Debentures	\$200,000	Section 2.3 of National Instrument 45-106	2016-02-09

## 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)	
None	N/A	\$0	N/A	N/A	N/A	\$0



## **Certificate**

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

Date: February 11, 2015

### **Bukit Energy Inc.**

Name of Issuer (please print)

### **Eamon Hurley, General Counsel, 1-403-930-2255**

Print name, title and telephone number of person signing

"Eamon Hurley"

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.

Same person.

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