

**AMENDMENT TO  
FORM 45-103F1 OFFERING MEMORANDUM OF A NON-QUALIFYING ISSUER,  
FORM 45-103F2 OFFERING MEMORANDUM OF A QUALIFYING ISSUER AND  
FORM 45-103F4 REPORT OF EXEMPT DISTRIBUTION OF  
MULTILATERAL INSTRUMENT 45-103 CAPITAL RAISING EXEMPTION**

**PART 1 AMENDMENTS TO FORM 45-103F1 OFFERING MEMORANDUM OF A  
NON-QUALIFYING ISSUER**

**1.1. Amendments to Form 45-103F1 Offering Memorandum of a Non-Qualifying Issuer**

- (1) Form 45-103F1 *Offering Memorandum of a Non-Qualifying Issuer* is amended by this Part of this Instrument.
- (2) The face page is amended by striking out the words “12 months” from the phrase “You will be restricted from selling your securities for 4 months/12months/an indefinite period.” under the subheading “Resale restrictions”.
- (3) Item 10.2 is repealed and the following is substituted:

***Restricted Period*** - For trades in Alberta, British Columbia, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island and Saskatchewan, state one of the following as applicable:

- (a) If the issuer is not a reporting issuer in a jurisdiction at the distribution date state:

“Unless permitted under securities legislation, you cannot trade the securities before the date that is four months and a day after the date [insert name of issuer or other term used to refer to the issuer] becomes a reporting issuer in any province or territory of Canada.”

- (b) If the issuer is a reporting issuer in a jurisdiction at the distribution date state:

“Unless permitted under securities legislation, you cannot trade the securities before the date that is four months and a day after the distribution date.

- (4) Item 10.3, is amended by
  - (a) striking out “listed in Appendix A of MI 45-102” in the preamble, and
  - (b) adding “Unless permitted under securities legislation,” before “You must not trade the securities”.

- (5) Item B.1 is repealed and the following substituted

All financial statements included in the offering memorandum must comply with National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107), regardless of whether the issuer is a reporting issuer or not.

- (6) Paragraph B.4(c) is amended by
- (a) striking out “3, 6 or 9 month interim period that” and substituting “interim period ending 9, 6, or 3 months before the end of the issuer’s financial year, if that interim period” and
  - (b) striking out “the financial statements” and substituting “any financial statements”.

- (7) Item B.6 is repealed and the following substituted:

If the issuer has changed its year end, refer to National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) for guidance concerning interim periods in a transition year. To satisfy B.4(c) in a transition year, provide financial statements for the most recently completed interim period that ended more than 60 days before the date of the offering memorandum and ended after the date of any financial statements required under B.4(a).

- (8) Item B.8 is amended by
- (a) striking out “Canadian generally accepted auditing standards (Canadian GAAS) and the” and substituting “the requirements of NI 52-107. The”, and
  - (b) adding at the end of the item “Refer to National Instrument 52-108 *Auditor Oversight* for requirements for auditors of reporting issuers.”

- (9) Item B.9 is amended by striking out “Each page of any” and substituting “All”.

- (10) Item B.11 is repealed and the following substituted:

The offering memorandum does not have to be updated to include interim financial statements for periods completed after the date 60 days prior to the date of the offering memorandum unless it is necessary to do so to prevent the offering memorandum from containing a misrepresentation.

- (11) Item C.1 is amended by adding “specified in C.4” before “for the business”.
- (12) Item C.2 is amended by striking out “50” and substituting “40” wherever it occurs.

- (13) Paragraph C.2(b) is amended by adding “, excluding any investments in or advances to the business,” before “as at the end of”.
- (14) Item C.5 is amended by striking out “Canadian GAAS and the” and substituting “the requirements of Part 6 of NI 52-107. The”
- (15) Item C.8 is amended by adding “as defined in NI 51-102” after “reverse take-over”.
- (16) The following is added after item C.8:
9. An issuer is exempt from the requirements in C.4 if the issuer includes in the offering memorandum the financial statements required in a business acquisition report under NI 51-102.
- (17) Item D.2 is amended by
- (a) adding “Notwithstanding the requirements in section 3.2(2)1 of NI 52-107,” before “an audit report” and
- (b) adding “of a non-reporting issuer “ after “offering memorandum”.
- (18) Items D.3 and D.4 are repealed.
- (19) Item D.6 is amended by
- (a) adding “or the reporting issuer does not have access to those financial statements,” to the end of paragraph (a), and
- (b) repealing paragraph (d) and substituting the following:
- the offering memorandum contains alternative disclosure for the property which includes
- (i) an operating statement (which must be accompanied by an audit report if it is prepared as an alternative to audited annual financial statements) presenting for the business, at a minimum, the following line items:
- (A) gross revenue,
- (B) royalty expenses,
- (C) production costs, and
- (D) operating income,
- (ii) information with respect to the estimated reserves and related future net revenue attributable to the business, the material assumptions used in preparing the estimates and the identity and relationship to the issuer or to the seller of the person who prepared the estimates; and other relevant information regarding the property,
- (iii) actual production volumes of the property for the most recently completed year, and

- (iv) estimated production volumes of the property for the next year, based on information in the reserve report.

**PART 2 AMENDMENTS TO FORM 45-103F2 OFFERING MEMORANDUM OF A QUALIFYING ISSUER**

**2.1. Amendments to Form 45-103F2 Offering Memorandum of a Qualifying Issuer**

- (1) Form 45-103F2 *Offering Memorandum of a Qualifying Issuer* is amended by this Part of this Instrument.
- (2) Instruction A.1 is amended by striking out the words “as defined in Multilateral Instrument 45-102 *Resale of Securities* (MI 45-102)”.
- (3) Instruction B.1 is repealed and the following is substituted:

Any financial statements incorporated by reference into the offering memorandum must comply with National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*.

- (4) Instruction C.1 is repealed and the following is substituted:  
  
If the offering memorandum does not incorporate by reference the issuer's AIF, prospectus, information circular or filing statement (as listed in the definition of qualifying issuer) that the issuer is relying on to meet the definition of qualifying issuer, update the offering memorandum to incorporate by reference the document as soon as the document is filed on SEDAR.
- (5) Section 2.2 of Instruction D is amended by
  - (a) repealing paragraph (a) and substituting the following:  
  
the issuer's AIF, prospectus, information circular or filing statement (as listed in the definition of qualifying issuer) that the issuer is relying on to meet the definition of qualifying issuer
  - (b) striking out “for the annual comparative financial statements referred to in 2.2.(d) in paragraph (f) and substituting "as required under NI 51-102",
  - (c) repealing paragraph (g) and substituting the following:  
  
each business acquisition report required to be filed under NI 51-102,

- (d) adding “ as defined in National Instrument 43-101 *Standards of Disclosure for Mineral Projects*,” after “mineral project,” in paragraph (i)
- (e) repealing paragraph (j) and substituting the following:

if the issuer has oil and gas activities, as defined in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*, all documents that it is required to file under NI 51-101 after the commencement of the issuer’s current financial year.

### **PART 3 AMENDMENT TO FORM 45-103F4 REPORT OF EXEMPT DISTRIBUTION**

#### **3.1 Amendment to Form 45-103F4 Report of Exempt Distribution**

- (1) Form 45-103F4 *Report of Exempt Distribution* is amended by this Part of this Instrument.
- (2) Section 1 *Issuer Information* is amended by:
  - (a) striking out “If this report is filed by a vendor, other than the issuer, also state the full name and address of the vendor”; and
  - (b) substituting with “Also state the full name and address of the vendor, if this report is filed (a) by a vendor who is not the issuer, and (b) in connection with an exemption other than those contained in MI 45-103”.

### **PART 4 EFFECTIVE DATE**

#### **4.1 Effective Date**

This Instrument comes into force on March 30, 2004.