

IN THE MATTER OF
The Securities Legislation of Manitoba and Northwest Territories.

AND IN THE MATTER OF
The Mutual Reliance Review System for Exemptive Relief Applications.

AND IN THE MATTER OF
Sidetrack Technologies Inc.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (individually the "Decision Maker" and collectively the "Decision Makers") in each of Manitoba and Northwest Territories (the "Jurisdictions") has received an application from Sidetrack Technologies Inc. (the "Filer" or the "Corporation") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to be registered to trade in securities and to file and receive a receipt in respect of a preliminary and final prospectus shall not apply to the Filer;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Manitoba Securities Commission is the principal regulator for this application;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. The Filer is a corporation incorporated under the laws of Manitoba.
2. The authorized capital of the Corporation consists of an unlimited number of Class A, Class B, Class C and Class D common shares and an unlimited number of Class A, Class B, Class C, Class D, and Class E and Class F preference shares and an unlimited number of participating preferred shares.
3. The Corporation has never filed a prospectus in any jurisdiction and none of its securities are listed on any stock exchange.
4. The Corporation is up-to-date in all filings required to be made under The Corporations Act (Manitoba).
5. The Corporation has previously undertaken an offering (the "Private Placement Offering") of its Shares to purchasers resident in British Columbia and Manitoba on a private placement basis, that is, subscriptions were accepted where the aggregate acquisition cost was greater than \$97,000.

6. Subsequent to the Private Placement Offering, the Corporation has received expressions of interest from two potential investors resident in British Columbia and NWT, respectively.

7. Each of the potential investors has expressed an interest in acquiring Class A common shares in the capital of the Corporation by investing approximately \$40,000 each (such potential sales to the potential investors referred to herein as the "Trades"). The Corporation has required, as a condition of any investment, that each potential investor execute an accredited investor status certificate whereby each potential investor must represent and warrant that he is an "accredited investor" as defined in section 1 of Multilateral Instrument 45-103 ("MI 45-103"). In particular, both potential investors are persons who, either alone or jointly with a spouse, beneficially own, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000 and, one of the potential investors is an individual whose net income before taxes exceeded \$200,000 in each of the two most recent years and whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent years and who, in either case, reasonably expects to exceed that net income level in the current year.

8. The potential investors will be required, as a condition of investing in the Corporation, to execute the Corporation's unanimous shareholders agreement (the "Unanimous Shareholders Agreement") which contains typical restrictions on transfer prior to resale, including a right of first refusal to other shareholders.

9. As MI 45-103 has only been adopted as a rule in the Provinces of British Columbia and Alberta, the exemptions available thereunder are not available in Manitoba and NWT in respect of the Trades.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

The Decision of the Decision Makers under the Legislation is that the requirement contained in the Legislation to be registered to trade in securities and to file and receive a receipt in respect of a preliminary prospectus and a final prospectus shall not apply to the Corporation in respect of the Trades provided that:

(a) the proposed investors in British Columbia and NWT represent to the Corporation that they are each an "accredited investor" as defined in MI 45-103;

(b) the Corporation has made reasonable inquiry, and is satisfied that each proposed investor qualifies as an "accredited investor" as defined in MI 45-103;

(c) the Corporation shall file a report in form 45-103F4 within the time prescribed by MI 45-103.

DATED "February 27", 2003.

Deputy Director – Legal and Enforcement