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Ontario
Securities
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Commission Des
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NI 81-102

VIA SEDAR

#14100

November 17, 2000

Stikeman, Elliott

Attention: **Darin R. Renton**

Dear Sirs/Mesdames:

Re: StrategicNova Canada Dominion Resource Fund Ltd. (formerly Navigator Canada Dominion Resource Fund Ltd.) (the "Fund")

**MRRS Application for Exemptive Relief pursuant to section 19.1 of National Instrument 81-102 Mutual Funds ("NI 81-102")
SEDAR Project No. 300214; Application No. 1037/00**

By letter dated September 22, 2000 and subsequent correspondence dated November 2, 7 and 8, 2000 (the "Application"), you applied pursuant to section 19.1 of NI 81-102 to the regulator or the securities regulatory authority in each of the provinces and territories of Canada (the "Decision Makers"), on behalf of StrategicNova Funds Management Inc. (the "Manager"), the manager of the Fund, for an exemption from the requirements of subsection 7.1(a) of NI 81-102 to permit the Fund to pay an incentive fee which is calculated with reference to a specified benchmark.

This letter confirms that, based on the information and representations contained in the Application, and for the purposes described in the Application, the Decision Makers hereby exempt the Fund from the requirements of subsection 7.1(a) of NI 81-102 subject to the following conditions:

1. the simplified prospectus for the Fund must contain the following:
 - (a) a description of the proposed benchmark and the criteria for payment of the incentive fee by the Fund;
 - (b) an explanation as to why such a benchmark is appropriate for the Fund; and
 - (c) a statement that the Manager of the Fund considers the benchmark to be appropriate given the disclosed fundamental investment objective and strategies of the Fund; and

2. the exemption granted herein will cease to apply to the Fund if the fundamental investment objective of the Fund is changed.

The relief provided herein is subject to compliance with all other applicable provisions of NI 81-102.

Yours very truly,

"Paul A. Dempsey"

Paul A. Dempsey
Assistant Manager/Senior Legal Counsel, Investment Funds
Capital Markets