

FORM 62-104F1

TAKE-OVER BID CIRCULAR

Part 1 General Provisions

(a) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) and to National Instrument 14-101 *Definitions*.

(b) Incorporating information by reference

If you are eligible to file a short form prospectus under National Instrument 44-101 *Short Form Prospectus Distributions*, you may incorporate information required under item 19 to be included in your take-over bid circular by reference to another document. Clearly identify the referenced document or any excerpt of it that you incorporate into your take-over bid circular. Unless you have already filed the referenced document, you must file it with your take-over bid circular. You must also disclose that the document is on SEDAR at www.sedar.com and that, on request, you will promptly provide a copy of the document free of charge to a security holder of the offeree issuer.

(c) Plain Language

Write the take-over bid circular so that readers are able to understand it. Refer to the plain language principles listed in section 2.6 of Companion Policy 62-104CP. If you use technical terms, explain them in a clear and concise manner.

(d) Numbering and Headings

The numbering, headings and ordering of items included in this Form are guidelines only. You do not need to include the heading or numbering or follow the order of items in this Form. You do not need to refer to inapplicable items and, unless otherwise required in this Form, you may omit negative answers to items. Disclosure provided in response to any item need not be repeated elsewhere in the circular.

Part 2 - Contents of Take-Over Bid Circular

Item 1. Name and Description of Offeror

State the corporate name of the offeror or, if the offeror is an unincorporated entity, the full name under which it exists and carries on business, and give a brief description of its activities.

Item 2. Name of Offeree Issuer

State the corporate name of the offeree issuer or, if the offeree issuer is an unincorporated entity, the full name under which it exists and carries on business.

Item 3. Securities Sought

State the class and number of securities that are the subject of the take-over bid and a description of the rights of the holders of any other class of securities that have a right to participate in the offer.

Item 4. Time Period

State the dates on which the take-over bid will commence and expire.

Item 5. Consideration

State the consideration to be offered. If the consideration includes securities, state the full particulars of the terms and conditions attaching to those securities.

Item 6. Ownership of Securities of Offeree Issuer

State the number, designation and percentage of outstanding securities of any class of securities of the offeree issuer beneficially owned or over which control or direction is exercised

- (a) by the offeror,
- (b) by each director, officer or other insider of the offeror, and
- (c) if known after reasonable enquiry, by
 - (i) each associate or affiliate of an insider of the offeror, and

- (ii) any person acting jointly or in concert with the offeror.

In each case where no securities are owned, directed or controlled, so state.

Item 7. Trading in Securities of Offeree Issuer

State, if known after reasonable enquiry has been made, the following information about any securities of the offeree issuer purchased or sold by the persons referred to in item 6 during the six-month period preceding the date of the take-over bid;

- (a) the description of the security,
- (b) the number of securities purchased or sold,
- (c) the purchase or sale price of the security, and
- (d) the date of the transaction.

If no such securities were purchased or sold, so state.

Item 8. Commitments to Acquire Securities of Offeree Issuer

Disclose all arrangements, agreements, commitments or understandings made by the offeror, and, if known after reasonable enquiry, by the persons referred to in item 6 to acquire securities of the offeree issuer, and the terms and conditions of those arrangements, agreements, commitments or understandings.

Item 9. Terms and Conditions of the Bid

State the terms of the take-over bid. If the obligation of the offeror to take up and pay for securities under the take-over bid is conditional, state the particulars of each condition.

Item 10. Payment for Deposited Securities

State the particulars of the method and time of payment of the cash or other consideration to be paid.

Item 11. Right to Withdraw Deposited Securities

Describe the withdrawal rights of the security holders of the offeree issuer under the take-over bid. State that the withdrawal is made by sending a written notice to the designated depository and becomes effective on its receipt by the depository.

Item 12. Source of Funds

State the source of any funds to be used for payment of deposited securities. If the funds are to be borrowed, state

- (a) the name of the lender,
- (b) the terms and financing conditions of the loan,
- (c) whether the offeror reasonably believes the possibility to be remote that, if the conditions are satisfied or waived, the offeror will be unable to pay for securities deposited under the take-over bid due to a financing condition not being satisfied,
- (d) the circumstances under which the loan must be repaid, and
- (e) the proposed method of repayment.

Item 13. Trading in Securities to be Acquired

State the principal market or markets for the securities sought under the take-over bid and indicate any change in a principal market that is planned by the offeror following the bid, including but not limited to listing or de-listing on an exchange. Furnish, where reasonably ascertainable, a summary showing in reasonable detail the volume of trading and price range of the securities in the six-month period preceding the date of the take-over bid. State the date that the take-over bid was announced to the public and the market price of the securities immediately before such announcement.

Item 14. Arrangements Between the Offeror and the Directors and Officers of Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeror and any of the directors or officers of the offeree issuer, including particulars of any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office, if the take-over bid is successful.

Item 15. Arrangements Between the Offeror and Security Holders of Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeror and a holder of the securities of the offeree issuer, including particulars of any agreement to the effect that the security holder will deposit its securities to a take-over bid made by the offeror. Disclosure with respect to each arrangement, agreement, commitment or understanding must include

- (a) a summary of its purpose,
- (b) the value attributed to it,
- (c) the nature and value of the consideration payable in respect of it, and
- (d) an explanation as to how the offeror determined that entering into it was not prohibited by section 2.22 of the Instrument.

Item 16. Arrangements Between the Offeror and the Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made between the offeror and the offeree issuer relating to the take-over bid and any other agreement, arrangement, commitment or understanding of which the offeror is aware that could affect control of the offeree issuer, including an agreement with change of control provisions or a security holder or voting trust agreement, that the offeror has access to and can reasonably be regarded as material to a depositing security holder under the take-over bid.

Item 17. Reasons for Bid

State the purpose of the take-over bid. Disclose the particulars of any plans or proposals for

- (a) subsequent transactions involving the offeree issuer such as a going private transaction, or

- (b) material changes in the affairs of the offeree issuer, including, for example, any proposal to liquidate the issuer, to sell, lease or exchange all or a substantial part of its assets, to amalgamate it with any other business organization or to make any material changes in its business, corporate structure (debt or equity), management or personnel.

Item 18. Valuation

If the take-over bid is an insider bid, as defined in applicable securities legislation, include the disclosure, if any, regarding valuations as required by securities legislation.

If a valuation is otherwise provided, the offeror must provide a summary of the valuation in sufficient detail to allow the reader to understand the principal judgements and principal underlying reasoning of the valuator so as to be able to form a reasoned judgment of the valuation opinion or conclusion. The summary must

- (a) disclose the basis of computation, scope of review, relevant factors and their values, and the key assumptions on which the valuation is based, and
- (b) advise where copies of the valuation are available for inspection and state that a copy of the valuation will be sent to any security holder of the offeree issuer on request, for a nominal charge sufficient to cover printing and postage.

Item 19. Securities of an Offeror or Other Issuer to be Exchanged for Securities of Offeree Issuer

If a take-over bid provides that the consideration for the securities of the offeree issuer is to be, in whole or in part, securities of the offeror or other issuer, include the financial, including pro forma information, and other information prescribed for a prospectus of the issuer whose securities are being offered in exchange for the securities of the offeree issuer.

Despite subsection (1), the financial statements of the offeree issuer are not required to be included in this circular.

Item 20. Right of Appraisal and Acquisition

State any rights of appraisal the security holders of the offeree issuer have under the laws or constating document governing, or contracts binding, the offeree issuer and state

whether or not the offeror intends to exercise any right of acquisition the offeror may have.

Item 21. Market Purchases of Securities

State whether or not the offeror intends to purchase in the market securities that are the subject of the take-over bid.

Item 22. Approval of Take-Over Bid Circular

If the take-over bid is made by or on behalf of an offeror that has directors, state that the take-over bid circular has been approved and its sending has been authorized by the directors.

Item 23. Other Material Information

State the particulars of any other information known to the offeror but not already disclosed that might reasonably affect the decision of the security holders of the offeree issuer to accept or reject the offer.

Item 24. Solicitations

Disclose any person retained by or on behalf of the offeror to make solicitations in respect of the take-over bid and the particulars of the compensation arrangements.

Item 25. Statement of Rights

Include the following statement of rights provided under the securities legislation of the jurisdiction relating to this circular:

Securities legislation in the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

Item 26. Certificate

Include a certificate in the following form signed,

- (a) if the take-over bid is made by or on behalf of a person, other than an individual, by the chief executive officer, the chief financial officer (or, if no such officers have been appointed, persons acting in a similar capacity) and on behalf of the directors, by any two directors of the person other than the foregoing, all duly authorized to sign, and
- (b) if the take-over bid is made by or on behalf of an individual, by the individual:

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Instruction

Where the person has fewer than four directors and officers, the certificate must be signed by all of them.

Item 27. Date of Take-Over Bid Circular

Specify the date of the take-over bid circular