

FORM 62-104F2

ISSUER 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 21 to be included in your issuer 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 issuer 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 issuer.

(c) **Plain Language**

Write the issuer 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 Issuer Bid

Item 1. Name of Issuer

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

Item 2. Securities Sought

State the class and number of securities that are the subject of the issuer 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.

If the number of securities sought is subject to additional purchases by the issuer under the issuer bid for the purpose of preventing security holders from being left with odd lot holdings, this fact must be disclosed under this item, but the number of securities that could be purchased for this purpose need not be disclosed.

Item 3. Time Period

State the dates on which the issuer bid will commence and expire.

Item 4. 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 5. Payment for Deposited Securities

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

Item 6. Right to Withdraw Deposited Securities

Describe the rights to withdraw securities deposited under the issuer 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 7. 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 issuer reasonably believes the possibility to be remote that, if the conditions are satisfied or waived, the issuer will be unable to pay for securities deposited under the issuer 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 8. Participation

If the issuer bid is for less than all of the outstanding securities of that class, state that if a greater number or principal amount of the securities are deposited than the issuer is bound or willing to take up and pay for, the issuer will take up as nearly as may be pro rata, disregarding fractions, according to the number or principal amount of the securities deposited. To the extent that this is not the case, as permitted by securities legislation, the response to this Item should be modified accordingly.

If an issuer intends to rely on the exceptions from the proportionate take-up and payment requirements found in subsections (2) and (3) of section 2.23 of the Instrument relating to odd lots and “dutch auctions”, describe the mechanism under which securities would be deposited and taken up without pro ration.

Item 9. Reasons for Bid

State the purpose for the issuer bid, and if it is anticipated that the issuer bid will be followed by a going private transaction or other transaction such as a business combination, describe the proposed transaction.

Item 10. Trading in Securities to be Acquired

Furnish, where reasonably ascertainable, a summary showing

- (a) the name of each principal marketplace on which the securities sought are traded,
- (b) in reasonable detail for the six months preceding the date of the issuer bid, the volume of trading and price range of the class of the securities sought, or in the case of debt securities the prices quoted, on each principal market, and
- (c) the date that the issuer bid to which the circular relates was announced to the public and the market price of the securities of the issuer immediately before such announcement.

Indicate any change in a principal marketplace or marketplaces that is planned following the issuer bid.

Item 11. Ownership of Securities of Issuer

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

- (a) by each director and officer or other insider of the issuer and
- (b) if known after reasonable enquiry, by
 - (i) each associate or affiliate of an insider of the issuer,
 - (ii) every associate or affiliate of the issuer, and
 - (iii) any person acting jointly or in concert with the issuer.

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

Item 12. Commitments to Acquire Securities of Issuer

Disclose all arrangements, agreements, commitments or understandings made by the issuer and, where known after reasonable enquiry, by the persons referred to in item 11, to acquire securities of the issuer, and the terms and conditions of those arrangements, agreements, commitments or understandings.

Item 13. Acceptance of Issuer Bid

If known after reasonable enquiry, state the name of every person named in item 11 who has accepted or intends to accept the issuer bid and the number of securities in respect of which the person has accepted or intends to accept the issuer bid.

Item 14. Benefits from Bid

State the direct or indirect benefits to any of the persons named in item 11 of accepting or refusing the issuer bid.

Item 15. Material Changes in the Affairs of Issuer

Disclose the particulars of any plans or proposals for material changes in the affairs of the issuer, including, for example, any contract or agreement under negotiation, any proposal to liquidate the issuer, to sell, lease or exchange all or a substantial part of its assets, to amalgamate it or to make any material changes in its business, corporate structure (debt or equity), management or personnel.

Item 16. Other Benefits

If any material changes or subsequent transactions are contemplated, as described in item 9 or 15, state if known, any specific benefit, direct or indirect, as a result of such changes or transactions to any of the persons named in item 11.

Item 17. Arrangements Between Issuer and Security Holder

Provide the details of any arrangement, agreement, commitment or understanding between the issuer and

- (a) any security holder of the issuer, including a summary of its purpose, the value attributed to it, the nature and value of the consideration payable in respect of it and an explanation as to how the issuer determined that entering into it was not prohibited by section 2.22 of the Instrument, and
- (b) any person with respect to any securities of the issuer in relation to the issuer bid.

Item 18. Previous Purchases and Sales

State the following information about any securities of the issuer purchased or sold by the issuer, excluding securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights during the twelve months preceding the date of the issuer 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 and purpose of each transaction.

If no securities were purchased or sold, so state.

Item 19. Financial Statements

If the most recently available interim financial statements are not included, include a statement that the most recent interim financial statements will be sent without charge to any security holder requesting them.

Item 20. Valuation

Include the disclosure required by applicable securities legislation regarding valuations, if any.

If a valuation is otherwise provided, the issuer 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 issuer on request, for a nominal charge sufficient to cover printing and postage.

Item 21. Securities of Issuer to be Exchanged for Others

If an issuer bid provides that the consideration for the securities of the issuer is to be, in whole or in part, different securities of the issuer, include the financial and other information prescribed for a prospectus of the issuer.

Item 22. Approval of Issuer Bid Circular

State that the issuer bid circular has been approved by the issuer's directors, disclosing the name of any individual director of the issuer who has informed the directors in writing of his or her opposition to the issuer bid and that the delivery of the issuer bid circular to the security holders of the issuer has been authorized by the issuer's directors.

If the issuer bid is part of a transaction or to be followed by a transaction required to be approved by minority security holders, state the nature of the approval required.

Item 23. Previous Distribution

If the securities of the class subject to the issuer bid were distributed during the five years preceding the issuer bid, state the distribution price per share and the aggregate proceeds received by the issuer or selling security holder.

Item 24. Dividend Policy

State the frequency and amount of dividends with respect to shares of the issuer during the two years preceding the date of the issuer bid, any restrictions on the issuer's ability to pay dividends and any plan or intention to declare a dividend or to alter the dividend policy of the issuer.

Item 25. Tax Consequences

Provide a general description of the Canadian income tax consequences of the issuer bid to the issuer and to the security holders of any class affected.

Item 26. Expenses of Bid

Provide a statement of the expenses incurred or to be incurred in connection with the issuer bid.

Item 27. Right of Appraisal and Acquisition

State any rights of appraisal the security holders of the issuer have under the laws or constating documents governing, or contracts binding, the issuer and state whether or not the issuer intends to exercise any right of acquisition the issuer may have.

Item 28. Statement of Rights

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

Securities legislation of the provinces and territories of Canada provides security holders of the 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 29. Other Material Information

State the particulars of any other information known to the issuer but not already disclosed that would reasonably be expected to affect the decision of the security holders of the issuer to accept or reject the offer

Item 30. Solicitations

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

Item 31. Certificate

Include a certificate in the following form signed by the chief executive officer and the chief financial officer (or, if no such officers have been appointed, persons acting in a similar capacity) of the issuer, and on behalf of the directors, by any two directors of the issuer other than the foregoing, all duly authorized to sign.

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

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

Item 32. Date of Issuer Bid Circular

Specify the date of the issuer bid circular.