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SUPERINTENDENT OF BROKERS  
AND  
VANCOUVER STOCK EXCHANGE  
(A Development Company)

STATEMENT OF MATERIAL FACTS  
EFFECTIVE DATE:

TENQUILLE RESOURCES LTD.  
980-789 West Pender Street  
Vancouver, British Columbia  
(604) 681-7361

NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

980-789 West Pender Street, Vancouver, British Columbia  
V6C 1H2

ADDRESS OF REGISTERED AND RECORDS OFFICES OF ISSUER

Guaranty Trust Company of Canada  
800 West Pender Street, Vancouver, British Columbia, V6C 2V7

NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S  
SECURITIES IN BRITISH COLUMBIA

OFFERING: 300,000 Units

Each Unit consists of one common share and two Series "A" share purchase warrants. Two Series "A" share purchase warrants will entitle the holder thereof to purchase one additional common share of the Issuer.

	Estimated Price to Public*	Estimated Commision	Estimated Net Proceeds to Issuer
Per Share:	\$0.70	\$0.0525	\$ 0.6475
Total:	\$210,000	\$15,750	\$194,250

\* To be calculated in accordance with the Rules of the Vancouver Stock Exchange, but in any event not less than \$0.70 per unit.

ADDITIONAL OFFERING: 150,000 Shares

The Agent will receive Agent's Warrants entitling it to purchase a total of 150,000 common shares in return for guaranteeing the sale of the Units offered hereby. These shares are hereby qualified for sale. See "Plan of Distribution" for further information concerning the sale of these shares.

The Securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

**AGENT**

**YORKTON SECURITIES INC.  
1400-609 Granville Street  
Vancouver, British Columbia**

**Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.**

## 1. PLAN OF DISTRIBUTION

### Offering

The Issuer by its Agent hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange"), 300,000 units (the "Units"), each Unit consisting of one common share and two Series "A" share purchase warrants. The Offering will take place on a day (the "Offering Day") not more than 30 business days after the date (the "Effective Date") this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers for British Columbia (the "Superintendent").

The price of the Units (the "Offering Price") will be at a fixed price determined by the Issuer and the Agent in accordance with the rules and policies of the Exchange, but shall not be less than \$0.70 per Unit.

The purchaser of any Units will be required to pay regular commission rates as specified in the rules and by-laws of the Exchange.

### Appointment of Agents

The Issuer, by an agreement (the "Agency Agreement") dated \_\_\_\_\_, 1987, appointed Yorkton Securities Inc. as its agent ("Agent") to offer 300,000 Units to the public.

The Issuer will pay the Agent a commission of 7.5% of the selling price of the Units.

The Agent has agreed to purchase any Units which remain unsubscribed for at the conclusion of the Offering and, in consideration therefor, the Issuer has agreed to issue to the Agent, immediately following the Offering Day, 150,000 non-transferable share purchase warrants ("Agent's Warrants") entitling the Agent to purchase a total of 150,000 common shares of the Issuer, each warrant entitling the Agent to purchase one common share. The Agent may exercise any of the Agent's Warrants within 180 days after the Offering Day at a price per share which is at a premium over the Average Trading Price as determined in accordance with the rules and policies of the Exchange.

The Issuer has granted the Agent a right of first refusal with respect to any future equity financing it may require during the 12 month period following the Effective Date.

The Agent reserves the right to offer selling group participation in the normal course of the brokerage business to selling groups of other licenced broker-dealers, brokers and investment dealers who may or may not be offered part of the commission or bonuses derived from this Offering.

The obligations of the Agent under the Agency Agreement may be terminated prior to the Offering Day, at the Agent's discretion, on the basis of its assessment of the state of the financial markets and upon the occurrence of certain stated events.

The Agent may be considered the "Market Maker" for the shares of the Issuer during the period of primary distribution of the Offering. Neither the Agent nor its principals own any shares of the Issuer and they have no shares under their control. During the period in which the securities are in primary distribution and for a period of 30 trading days thereafter, the Agent may make purchases and sales of shares of the Issuer for the purpose of maintaining an orderly market for the shares of the Issuer and assisting in the distribution of the offered units.

The Agent does not beneficially own, either directly or indirectly, any securities of the Issuer.

Directors, officers and other insiders of the Issuer may purchase Units from this Offering.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

#### **Series "A" Share Purchase Warrants**

The Series "A" share purchase warrants to be issued pursuant to the Offering will be transferable and in bearer form and, subject to the filing with the Exchange of evidence of satisfactory distribution shall be posted for trading on the Exchange. Two warrants will entitle the holder thereof to purchase one common share of the Issuer at any time up to the close of business 180 days following the Offering Day at a price per share which is at a premium over the Average Trading Price as determined in accordance with the rules and policies of the Exchange.

The Series "A" share purchase warrants will contain, among other things, anti-dilution provisions and provision for appropriate adjustment in the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares of the Issuer, or the payment of stock dividends.

#### **Agent's Warrants**

The Agent's Warrants will have the same terms and conditions as the Series "A" share purchase warrants except that they will be non-transferable and exercisable one for one.

#### **Additional Offering**

This Statement of Material Facts also qualifies for sale to the public through the facilities of the Exchange at the market price prevailing for the shares or warrants at the time of the sale, for a period of 180 days from the Offering Day, any Units purchased by the Agent and any of the common shares which may be acquired by the Agent on the exercise of the Agent's Warrants. The Issuer will not receive any proceeds from the sale of any such shares or warrants so acquired by the Agent, all of which proceeds will, in such event, accrue to the Agent.

## **2. USE OF PROCEEDS**

The Issuer cannot estimate with certainty the price at which the Units will sell, but if all the Units are sold at the price of \$0.70 per Unit the Issuer will receive gross proceeds of \$210,000 which, after deduction of commissions of \$15,750, will net the Issuer \$194,250.

The principal purposes for which the funds will be used are as follows:

- |   |           |
|---|-----------|
| (a) To pay the estimated costs of this issue including legal, audit and printing:                       | \$ 20,000 |
| (b) To pay accounts payable:  | 12,969    |
| (c) To complete phase one of the work program on the Issuer's Tenquille Lake property as recommended in |           |

the report dated August 15, 1986 by  
Deleen Consulting Geologists Ltd.: 100,000

(c) Working capital and general corporate purposes: 61,281  
\$194,250

Proceeds derived from the exercise of the Series "A" share purchase warrants and Agents' Warrants will be added to working capital.

None of the proceeds from the Offering will be used for the acquisition, exploration or development of any properties without obtaining (if required under the rules or regulations of the Exchange) the prior consent of the Exchange and filing, where necessary, engineering reports acceptable to the Exchange.

### 3. MATERIAL NATURAL RESOURCE PROPERTIES

#### SUMMARY OF MATERIAL MINING PROPERTIES

- Group I** Properties for which regulatory approval has been obtained under this Statement of Material Facts.
- Group II** Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year.
- Group III** Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed \$100,000.

Group	Property Name	Issuer's Acquisition and Exploration Costs to Date	Shares Issued to Date	Planned Expenditure from Funds Available upon Completion of the Offering
I	Sarita River Property, Alberni Mining Division British Columbia	Acquisition: \$25,000 Exploration: nil	nil	nil
II	Tenquille Lake Claims, Lillooet Mining Division British Columbia	Acquisition: \$49,252 Exploration: \$384,151*	750,000 (escrowed) 163,467**	\$100,000

- \* Includes the sum of \$163,467 spent by Amazon Petroleum Corp. on the property.
- \*\* These shares have not been issued as of the date hereof, but are due to be issued to Amazon Petroleum Corp. as consideration for expenditures on the property.

## III

Nil

**GROUP I - Properties for which regulatory approval has been obtained under this Statement of Material Facts.**

**Sarita River Property  
Alberni Mining Division  
British Columbia**

The Issuer has been granted an option to acquire a 100% interest in a number of mineral claims, and acquired a 100% interest in a number of Crown-granted mineral claims located near the Sarita River on Vancouver Island. The mineral claims are located in the Alberni Mining Division and are described as follows:

Claim Name	Record No.	Expiry Date
RC #2	167 (2)	Feb. 14, 1990
A #2	170 (2)	Feb. 14, 1990
RC #5	200 (5)	May 25, 1990
RC #4	534 (9)	Sep. 6, 1990

The Crown-granted mineral claims are described as: "all minerals precious and base (save coal and petroleum) which may be found in, upon or under those pieces of land situate in the Alberni Assessment District in the Province of British Columbia, and more particularly known and described as follows:

Lot 23 known as the "Black Bear"	mineral claim;
Lot 24 known as the "Eureka"	mineral claim;
Lot 25 known as the "British Pacific"	mineral claim;
Lot 26 known as the "Midday"	mineral claim;
Lot 35 known as the "Southern Cross"	mineral claim;
Lot 36 known as the "United"	mineral claim;
Lot 54 known as the "Union"	mineral claim."

The option on the mineral claims was acquired from Roy W. Carlson of 1765 Kilkenny Road, North Vancouver, B.C., by agreement dated May 10, 1985.

Consideration for the acquisition is the issuance of 100,000 shares, as follows:

- (a) 25,000 shares upon approval of the agreement by regulatory authorities;
- (b) 25,000 shares 6 months after the approval referred to in sub-paragraph (a) above provided an initial work program of at least \$25,000 has been completed by the Issuer and an acceptable Engineering Report recommending further work has been filed;
- (c) 25,000 shares 12 months after the approval referred to in sub-paragraph (a) above provided a further work program of at least \$25,000 has been completed and an acceptable Engineering Report recommending further work has been filed;
- (d) 25,000 shares 18 months after the approval referred to in sub-paragraph (a) above provided a further work program of at least \$25,000 has been completed and an acceptable Engineering Report recommending further work has been filed.

The agreement also requires that the Issuer spend a minimum of \$100,000 on the property within two years of the date of the agreement, however by amendment dated December 17, 1986 the parties agreed to extend the above requirement to two years from the date of the amendment.

The Crown-granted mineral claims were acquired from Douglas A. Chapman, president and a director of the Issuer, by agreement dated September 4, 1985. Consideration for the acquisition was the reimbursement of Mr. Chapman's out-of-pocket costs. These costs have been estimated at \$25,000, however this figure is subject to re-assessment by the Issuer's auditor. The agreement provides that Mr. Chapman shall be paid as follows:

- (a) \$500 upon execution of the agreement (paid by the issuance of 806 shares at a deemed price of \$0.62 per share);
- (b) \$4,500 upon approval of the agreement by regulatory authorities;



- (c) \$5,000 every six months after receipt of regulatory approval until the balance has been paid in full.

Mr. Chapman acquired the claims in 1965 from the estate of the deceased owner at a cost of \$7,000. He has personally spent approximately \$18,000 on the property, which figure is being confirmed by the Issuer's auditor.

The agreement also provides for the payment of an additional \$2,000,000 by way of a net profits royalty, but this royalty was waived by Mr. Chapman by agreement dated November 20, 1986.

The Issuer has, by agreement dated December 1, 1986, granted an option to acquire up to a 50% undivided interest in the above properties to Rattler Resources Ltd., ("Rattler"), 3566 King George Highway, Surrey, B.C. Rattler is a non-reporting issuer, the directors of which are Leonard P. Clarke, Marion Tough and John Scewan.

Rattler was to earn its interest in two stages:

- (a) a 25% working interest by the expenditure of \$100,000 on the property by February 28, 1987;
- (b) a further 25% working interest, for a cumulative 50% undivided interest, by the expenditure of an additional \$100,000 by February 29, 1988.

Rattler has recently completed the work program referred to in sub-paragraph (a) above, and consequently holds a 25% working interest in the property.

Upon Rattler's earning a 50% interest in the property, a joint venture agreement will be entered into by the Issuer and Rattler. Under the terms of the joint venture agreement all expenses and profits will be shared in proportion, to each party's interest in the property.

Prior to the work program recently completed by Rattler, approximately \$190,000 had been spent on the property. Work included road-building, a magnetometer survey, trenching, blasting and percussion drilling, together with the assaying of the results obtained.

THERE IS NO SURFACE OR UNDERGROUND PLANT OR EQUIPMENT ON THE SARITA RIVER PROPERTY. THE SARITA RIVER PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE.

**GROUP II - Presently held properties which are currently producing or being explored, or upon which explorations is planned within the next year.**

**Tenquille Lake Claims  
Lillooet Mining Division  
British Columbia**

The Issuer is the owner of a 100% interest in the Tenquille Lake claims, Lillooet Mining Division, British Columbia. Details of the claims are as follows:

Claim Name	Record Number	Expiry Date
Santa Barbara	1788(5)	May 28, 1989
Saint Paul	1791 (5)	June 28, 1989
Crown Fraction	1790 (5)	May 28, 1989
Pt. Rex-81	1794 (6)	June 1, 1989
Hiag - 81	1795 (6)	June 1, 1989
Hiag No. 2	1985 (2)	Feb. 5, 1988
Hiag No. 4	2131 (8)	Aug. 16, 1987
Early No. 1	1722 (4)	Apr. 13, 1989
Early No. 2	1789 (6)	June 1, 1989
Gold King	3641 (1)	Jan. 9, 1988
Silver Bell	3642 (1)	Jan. 9, 1988
Senneca	3643 (1)	Jan. 9, 1988

Past exploration of the property has indicated the existence of eight mineralized zones which, as stated in the August 15, 1986 report of Deleen Consulting Geologists Ltd., a copy of which is attached to and forms part of this Statement of Material Facts, are known to contain precious metal values. The deposits have been designated Crown, Gold King, Li-Li-Kel, Senneca, Silver Bell, Wonder, Zone 3 and Zone 4.

In 1983, Amazon Petroleum Corp., on behalf of the Issuer, did some exploratory work on the Li-Li-Kel and Zone 3 deposits, completing geological mapping, geophysical surveying, trenching, surface and underground sampling, and 1605 meters of diamond drilling. A minor amount of work was also completed on the Crown and Zone 4 deposits.

The results of the above work indicated that the silver-bearing shoots contained in the Li-Li-Kel and Zone 3 deposits were too discontinuous and small to

warrant additional work, however the mineral potential of the remaining deposits has not yet been explored.

In the August 15, 1986 report of Deleen Consulting Geologists Ltd., Mr. John Deleen, P.Eng., recommends a first stage program of prospecting, geological mapping, sampling, trenching, airborne magnetometer and VLF-EM surveying on the remaining unexplored deposits, being the Crown, Gold King, Senneca, Silver Bell, Wonder and Zone 4. The estimated cost of this first stage is \$100,000. Data from the first stage will be evaluated to determine if a second stage of exploration is warranted.

THERE IS NO SURFACE OR UNDERGROUND PLANT OR EQUIPMENT ON THE TENQUILLE LAKE PROPERTY. THE TENQUILLE LAKE PROPERTY IS WITHOUT A KNOWN BODY OF COMMERCIAL ORE. THE PROPOSED PROGRAM IS AN EXPLORATORY SEARCH FOR ORE.

**GROUP III - Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed \$100,000.**

None

#### **4. PARTICULARS OF NON-RESOURCE ASSETS**

The Issuer does not engage in, nor does it propose to engage in, a business other than the exploration and development of natural resource properties.

#### **5. CORPORATE INFORMATION**

The Issuer was incorporated under the laws of the Province of British Columbia by registration of its Memorandum and Articles on February 11, 1981.

As of the date hereof the Issuer's authorized capital consists of 10,000,000 common shares without par value of which 2,393,374 shares have been issued as fully paid. There are no conversion rights or subscription rights attached to the shares of the Issuer.

Since December 31, 1986, which is the date of the latest financial statements included herein, the Issuer issued 156,873 shares at a deemed price of \$0.62 per share to creditors in settlement of outstanding indebtedness.

6. DIRECTORS, OFFICERS, PROMOTERS AND PERSONS  
HOLDING MORE THAN 10% OF THE ISSUED EQUITY  
SHARES

(1) The directors, officers and promoters of the  
Company are:

**Douglas Alan CHAPMAN\***

106 - 5979 Wilson Avenue  
Burnaby, B.C.

**President, Director & Promoter**

Number of Shares Held in the Issuer: ~~52,500~~  
free-trading

← wrong  
should be  
16,000

Mr. Chapman is a resource executive and has  
been the president of the Issuer since 1981. He is  
also a director or officer of two other reporting  
issuers.

**Herbert John WILSON**

1440 East 49th Avenue  
Vancouver, B.C.

**Vice-President & Director**

Number of Shares Held in the Issuer: nil

Mr. Wilson is a geochemist and soil surveyor,  
and is actively involved as a resource executive. He  
is also a director or officer of two other reporting  
issuers.

**Willa Enid ROSS**

1010 Esquimalt Avenue  
West Vancouver, B.C.

**Secretary & Director**

Number of Shares Held in the Issuer: 212,500  
free-trading  
525,000 escrowed

Mrs. Ross is a partner with the law firm of  
Williams, Ross. She is not a director or officer of  
any other reporting issuers.

**Peter Glehn CURTIS\***

1689 - 57A Street  
Tsawwassen, B.C.

**Director**

Number of Shares Held in the Issuer: 5,000  
free-trading

Mr. Curtis is a consulting geologist, and has  
been the Issuer's field geologist since 1981. He is

not a director or officer of any other reporting issuers.

**Randy Lee FITZHUGH\***

2202 - 75th  
Everett, Washington

**Director**

Number of Shares Held in the Issuer: 7,855  
free-trading

Mr. Fitzhugh has been a self-employed plumbing and electrical contractor for the past five years. He is not a director or officer of any other reporting issuers.

\* Member of Issuer's audit committee

(2)(a) A list of the other reporting issuers of which the directors of the Issuer are directors and officers is available for inspection at the location and during the times specified in Item 9(5) herein.

(b) With the exception of Mr. Wilson, the Issuer's directors and officers were all directors and officers of the Issuer for the period of October 17, 1986 to November 25, 1986 when the Issuer's securities were the subject of a cease-trade order issued by the Superintendent of Brokers. The order was issued for the Issuer's failure to file its Annual Report, interim financial statements and hold its Annual General Meeting within the requisite time limits.

None of the directors or officers of the Issuer has been within the past three years a director, officer or promoter of any other reporting company which has been struck off the Register of Companies by the British Columbia Registrar of Companies or other similar authority, or whose securities were the subject of a cease trade or suspension order for a period of more than 30 consecutive days.

(3)(a) The Issuer acquired the Sarita River mineral property from Douglas A. Chapman, president and director of the Issuer, for the sum of \$25,000, representing his out-of-pocket costs, subject to verification by the Issuer's auditor. Refer to Item 3 herein for further details.

The Issuer has agreed to remunerate Mr. Chapman in the amount of \$1,500 per month for providing management services to the Issuer from May 1, 1985 to October 31, 1986, for a total of \$27,000.

In addition, Mr. Chapman has advanced the sum

of \$11,750 to the Issuer in the form of shareholder loans.

In summary, as of October 31, 1986, the Issuer is indebted to Mr. Chapman as follows:

Mineral property acquisition	\$25,000
Remuneration	27,000
Advances	11,750
	<u>\$63,750</u>

Mr. Chapman has agreed to receive \$5,000 cash and 55,242 shares in settlement of \$34,250 of the above liability. The balance of \$24,500, for the mineral property acquisition, upon verification by the Issuer's auditor, will be paid as indicated in Item 3 herein.

(b) No director, officer, promoter or insider of the Issuer has received anything of value from the Issuer within the past year which has not been disclosed elsewhere in this Statement of Material Facts.

(4) To the knowledge of the Issuer's directors there are no persons who own beneficially, directly or indirectly, more than 10% of the equity shares of the Issuer other than the persons disclosed in Item 6(1) herein.

#### 7. OPTIONS TO PURCHASE SECURITIES OF THE ISSUER

By agreement dated June 1, 1986 the Issuer granted Randy Lee Fitzhugh director's incentive stock options to purchase 50,000 shares at a price of \$0.40 per share until May 31, 1988.

In addition, the following employee incentive stock options are outstanding:

<u>Date Granted</u>	<u>Number</u>	<u>Price</u>	<u>Length of Option</u>
June 1, 1986	50,000	\$0.40	2 years

#### 8. SECURITIES OF THE ISSUER HELD IN ESCROW, IN POOL OR SUBJECT TO HOLD RESTRICTIONS

Guaranty Trust Company of Canada holds 525,000 shares in escrow, subject to the direction or determination of the Vancouver Stock Exchange. The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Issuer, its transfer agents or

escrow holder make any transfer or record any tradings of the shares without the prior consent of the Vancouver Stock Exchange.

In the event that the Issuer loses, abandons or fails to obtain title to all or part of the property or assets for which it allotted all or part of the escrow shares, the Issuer will declare any such event to the Vancouver Stock Exchange by way of directors' resolution and the holders of such shares, the trustee thereof and the Issuer have agreed that such number of said shares, as the Vancouver Stock Exchange determines, shall become subject to cancellation and shall be surrendered to the Issuer by way of gift for cancellation.

There are no other shares held in pool or subject to unexpired hold periods originally imposed by the Superintendent of Brokers.

**9. PARTICULARS OF ANY OTHER MATERIAL FACTS**

- (1) In early 1986 the Issuer reached an agreement in principle to acquire the Hawk claims, located on Ashlu Creek, near Squamish. The property is currently the centre of several actions which have been commenced in the Supreme Court of British Columbia, and the Issuer has decided not to seek regulatory approval for the acquisition until the various matters have been resolved.
- (2) There are no properties to be acquired for which regulatory approval is not being sought under this Statement of Material Facts.
- (3) The Issuer's liabilities have not significantly increased or altered subsequent to the date of the financial statements included in this Statement of Material Facts.
- (4) The Issuer also has the following property interests:
  - (a) **Leinster Anthracite Coalfield  
Republic of Ireland**

The Issuer claims an undivided 50% interest in the Leinster coalfield, located in the Republic of Ireland. The remaining interest is held by Valar Resources Ltd., a company listed on the Vancouver Stock

Exchange. The Issuer is currently finalizing the details of a joint venture agreement with Valar Resources Ltd. whereupon development of the coalfield will be commenced.

(b) **Lela Mineral Claims  
New Westminster Mining Division  
British Columbia**

By agreement dated December 17, 1986 the Issuer was granted an option to acquire a 100% interest in the Lela claims for the issuance of 45,000 shares in three blocks of 15,000 shares. The first block is issuable upon regulatory approval of the acquisition, with the subsequent blocks being issuable within 6 months and 12 months of such approval.

(c) **Within the past year the Issuer abandoned the Suey Lake Claims, located in the Cariboo Mining Division, British Columbia.**

There are no other material facts not previously disclosed herein.

(5) **The material contracts described herein may be inspected at Suite 980 - 789 West Pender Street, Vancouver, British Columbia, during normal business hours during the primary distribution of the shares offered hereby and for 30 days after completion of primary distribution.**

**10. STATUTORY RIGHTS OF RESCISSION**

The British Columbia Securities Act provides purchasers with the right to rescind a contract for the purchase of securities where the Statement of Material Facts and any existing amendments thereto either contain a misrepresentation or are not delivered to the purchaser before delivery of the written confirmation of sale. For further information concerning these rights, and the time limits within which they must be exercised, refer to Sections 66, 114 and 118 of the Securities Act or consult a lawyer.



11.(1) CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF  
THE ISSUER

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

\_\_\_\_\_  
Date

\_\_\_\_\_  
DOUGLAS ALAN CHAPMAN  
Chief Executive Officer  
and Promoter

\_\_\_\_\_  
WILLA ENID ROSS  
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

\_\_\_\_\_  
HERBERT JOHN WILSON  
Director

\_\_\_\_\_  
PETER GLEHN CURTIS  
Director

\_\_\_\_\_  
RANDY LEE FITZHUGH  
Director

11.(2) CERTIFICATE OF THE AGENT

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

\_\_\_\_\_  
Date

YORKTON SECURITIES INC.

Per:

\_\_\_\_\_  
Those persons holding an interest of not less than 5% of Yorkton Securities Inc. are Allen Barry Van Stone, Stewart David Vorberg, Frank Giustra, Donald Risling, Lorne J. Levy, Arthur J. Thomas and Matthew Jong.