

FORM 41**Securities Act****CONTENTS OF ANNUAL INFORMATION FORM****NOTE:**

1 Any information called for by this form may, at the issuer's option, be incorporated by reference in an annual information form

- (a) from the issuer's annual report furnished to its security holders and filed with the Chief of Securities Administration, or*
- (b) from the issuer's information circular filed under the Act that involves the election of directors,*

if the annual report and information circular are filed with the Chief of Securities Administration not later than 140 days after the end of the issuer's most recently completed financial year covered by this annual information form.

2 Matter incorporated by reference in an annual information form shall be clearly identified in the reference by page, paragraph, caption or otherwise. Where only certain pages of a document are incorporated by reference, the document from which the material is taken shall be clearly identified in the reference. An express statement that the specified matter is incorporated by reference shall be made at the particular place in the annual information form where the information is required. Matter shall not be incorporated by reference in any case where the incorporation would render the annual information form incomplete, unclear or otherwise confusing.

ITEM 1 Name and Incorporation of Issuer:

(1) State the full name of the issuer and the address of the head office and principal office.

(2) State

- (a)** the laws under which the issuer was incorporated, organized or otherwise established, and
- (b)** whether incorporated, organized or otherwise established by articles of incorporation or otherwise and the date on which the issuer came into existence.

(3) If the issuer is not a company, give the material details of its form of organization and structure.

(4) If material, state whether the constating documents of the issuer have been amended.

ITEM 2 Business and Property:

(1) Briefly describe the business carried on and intended to be carried on by the issuer and its subsidiaries and the general development of the business. If the business consists of the production or distribution of different kinds of products or the rendering of different kinds of services, indicate, insofar as material and practical, the principal products or services.

(2) Include the business of subsidiaries of the issuer only insofar as is necessary to understand the character and development of the business conducted by the combined enterprise.

(3) In describing developments, information shall be given as to matters including

- (a) the nature and results of material reorganizations of the issuer or any of its material subsidiaries,
- (b) the acquisition or disposition of any material amount of assets otherwise than in the ordinary course of business, and
- (c) any material changes in the mode of conducting the business of the issuer or its subsidiaries.

(4) Briefly

- (a) state the location and general character of the materially important physical properties of the issuer and its subsidiaries, including buildings and plants, and
- (b) describe the nature of any major encumbrance on the property or the nature of the title to property if it is not freehold.

(5) Detailed descriptions of the physical characteristics of individual properties or legal descriptions are not required.

(6) In the case of a natural resource issuer, other than an oil or gas issuer, material information should be given as follows:

- (a) production for the year;
- (b) as at the end of the last financial year of the issuer,
 - (i) mineral deposits,

- (ii) reserves of proven, probable or possible ore (including estimated tonnage and grade of each such class of ore reserves),
- (iii) locations of and size of properties,
- (iv) exploration and development of the properties, and
- (v) the nature of the right to hold or operate the properties of the issuer and its subsidiaries.

(7) In the case of an oil or gas issuer, material information should be given as to

- (a) the quantity and type of the
 - (i) estimated net proved and developed reserves,
 - (ii) net proved undeveloped reserves, and
 - (iii) net probable additional reserves,of crude oil, natural gas and natural gas liquids of the issuer and its subsidiaries as of the end of the last financial year of the issuer;
- (b) the net crude oil, natural gas liquids and natural gas production of the issuer and its subsidiaries, including the interest of the issuer and its subsidiaries in the production of others, during each of the last 2 financial years of the issuer;
- (c) the number of wells the issuer and its subsidiaries have drilled or participated in the drilling of during each of the last 2 financial years of the issuer, the number of those wells completed as oil producing wells, gas producing wells and as dry holes and the amount expended by the issuer and its subsidiaries during each of those 2 years on drilling and exploration activities;
- (d) important oil and gas properties, plants, facilities and installations owned, leased or held under option by the issuer and its subsidiaries as at the end of its last completed financial year;
- (e) the location, by fields if possible, of all producing wells and non-unitized wells capable of producing in which the issuer and its subsidiaries have an interest as at the end of the issuer's last completed financial year, including the interest of the issuer and its subsidiaries expressed in terms of net wells separately for oil wells and gas wells;

- (f) with respect to interests in properties on which no producing wells have been drilled, the gross acreage in which the issuer and its subsidiaries have an interest as at the end of the issuer's last completed financial year and the interest of the issuer and its subsidiaries expressed in terms of net leasable acreage and the geographical location of that acreage.
- (8) If estimates of reserves are represented as being based on estimates prepared or reviewed by independent consultants,
- (a) those independent consultants shall be named, and
 - (b) where estimates of reserves are referred to, the Chief of Securities Administration may request that a copy of the full report of the engineer or other expert or consultant who estimated the reserves be subsequently furnished to the Chief of Securities Administration as supplemental information and not as material filed as part of this Form.

ITEM 3 Summary of Financial Information:

- (1) Furnish in summary form the following financial information for the issuer and its subsidiaries on a consolidated basis:
- (a) for each of the last 5 financial years of the issuer
 - (i) net sales or operating revenue,
 - (ii) income or loss before extraordinary items including on a per common share and fully diluted per common share basis,
 - (iii) total assets,
 - (iv) total long-term debt and redeemable preferred shares,
 - (v) dividends per common share,
 - (vi) net income, including on a per common share and fully diluted per common share basis,
- and
- (b) for each of the last eight quarterly periods of the issuer, the information referred to in clause (a)(i), (ii) and (vi).
- (2) Briefly describe, or cross-reference to a discussion thereof, factors such as accounting changes, business combinations or dispositions of

business operations that materially affect the comparability of the information reflected in the summary financial information.

ITEM 4 Analysis of Financial Position and Results of Operations:

(1) Explain to the extent reasonably practicable any substantial variations, both favourable and adverse, in the issuer's income statements, statements of changes in financial position and balance sheets for the past 2 years.

(2) In addition, discuss the ability of the issuer and its subsidiaries to generate, both internally and externally, adequate amounts of cash to fulfil the cash requirements of the issuer and its subsidiaries during the current financial year and in particular, comment on the requirements, demands or commitments of the issuer and its subsidiaries for working capital, capital expenditures, repayment of debt and dividend payments.

ITEM 5 Market for the Securities of the Issuer:

Identify the exchange or exchanges on which the issuer's securities are listed and posted for trading.

ITEM 6 Dividends:

State the frequency and amount of any dividends declared during the past 2 completed financial years of the issuer and briefly describe any restriction on the issuer's present or future ability to declare or pay dividends.

ITEM 7 Subsidiaries of the Issuer:

(1) Furnish a list of each subsidiary, other than inactive subsidiaries, of the issuer, indicating the jurisdiction under the laws of which it was organized and the percentage of voting securities owned by the issuer.

(2) A subsidiary, other than a subsidiary whose gross assets on a consolidated basis exceed \$10 000 000, may be omitted if

- (a) the assets of the subsidiary or the investment in and advances to the subsidiary by the issuer and the issuer's other subsidiaries do not exceed 10% of the issuer's assets on a consolidated basis,
- (b) the sales and operating revenues of the subsidiary do not exceed 10% of the sales and operating revenues of the issuer on a consolidated basis, and

- (c) the unnamed subsidiaries considered in the aggregate as a single subsidiary would satisfy the conditions in clauses (a) and (b) if the reference therein to 10% were replaced by 20%.

ITEM 8 Directors and Officers:

- (1) List the names and municipality of residence for all the directors and officers of the issuer and indicate their respective principal occupations within the 5 preceding years.
- (2) State the period or periods during which each director has served as a director and state when the term of office of each director will expire.
- (3) State the percentage of securities of each class of voting securities of the issuer or any subsidiary thereof beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and senior officers of the issuer, as a group.
- (4) State whether the issuer has an executive committee or is required to have an audit committee and, if so, name those directors who are members of each such committee.

ITEM 9 Additional Information:

Include a statement to the effect that

- (a) the additional information, including
 - (i) executive compensation and indebtedness,
 - (ii) principal holders of the issuer's securities,
 - (iii) options to purchase securities, and
 - (iv) interests of insiders in material transactions,where applicable, is contained in the issuer's information circular for its most recent annual meeting of security holders that involved the election of directors,
- (b) additional financial information is provided in the issuer's comparative financial statements for its most recently completed financial year, and
- (c) a copy of those documents may be obtained on request from the secretary of the issuer.

ITEM 10 Certificate:

Include a certificate in the following form, dated and signed by the chief executive officer and chief financial officer of the issuer and, on behalf of the board of directors of the issuer, by any 2 directors other than the foregoing:

The foregoing, together with any information incorporated by reference, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated herein in accordance with the requirements for this annual information form or that is necessary to make a statement contained herein not misleading in light of the circumstances in which it was made.

IT IS AN OFFENCE UNDER THE *SECURITIES ACT* AND THE *SECURITIES REGULATION* FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.

ANY FEE PAYABLE TO THE ALBERTA SECURITIES COMMISSION UNDER THE *SECURITIES ACT* AND THE *SECURITIES REGULATION* SHALL BE PAID TO THE PROVINCIAL TREASURER IN ACCORDANCE WITH THE REQUIREMENTS OF SCHEDULE 1 TO THE REGULATION. ANY FAILURE TO ACCOMPANY A FORM OR APPLICATION WITH THE PRESCRIBED FEE SHALL RESULT IN THE RETURN OF THAT FORM OR APPLICATION.