

FORM 34
ISSUER BID CIRCULAR

ITEM 1 Name of Issuer:

ITEM 2 Securities Sought:

State the class and number of securities or principal amount of debt securities sought.

ITEM 3 Time Period:

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

ITEM 4 Method of Acquisition:

State the method by which the securities will be acquired.

ITEM 5 Consideration Offered:

State the consideration to be offered.

ITEM 6 Payment for Deposited Securities:

State the particulars of the method and time of payment of the consideration.

ITEM 7 Right to Withdraw Deposited Securities:

- (1) Describe the rights to withdraw securities deposited pursuant to the bid.
- (2) State that notice of withdrawal of securities deposited must
 - (a) be given in a manner that provides the depository designated under the bid with a written or printed copy, and

- (b) be actually received by the depositary.

ITEM 8 Source of Funds:

State

- (a) the source of any funds to be used for payment, and
- (b) if those funds are to be borrowed,
 - (i) the terms of the loan,
 - (ii) the circumstances under which it must be repaid, and
 - (iii) the proposed method of repayment.

ITEM 9 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 tendered 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 tendered.

ITEM 10 Reasons for the Issuer Bid:

- (1) State the purpose and business reasons for the issuer bid.
- (2) If it is anticipated that the issuer bid will be followed by a going private transaction, describe the proposed transaction.

ITEM 11 Trading in Securities to be Acquired:

- (1) Furnish, where reasonably ascertainable, a summary showing the following:
 - (a) the name of each exchange or other principal market on which the securities sought are traded;
 - (b) in reasonable detail for the 12 months preceding the date of the issuer bid,
 - (i) the volume of trading and price range of the class of the securities sought,
or

- (ii) in the case of debt securities, the prices quoted,
on each principal market;
- (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.

(2) Indicate any change in the principal market or markets that is planned following the bid.

ITEM 12 Ownership of Securities of Issuer:

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

- (a) by each director and senior officer of the issuer, and
- (b) where known after reasonable inquiry,
 - (i) by each associate of a director or senior officer of the issuer,
 - (ii) by any person or company holding more than 10% of any class of equity securities of the issuer, and
 - (iii) by any person or company acting jointly or in concert with the issuer,

or, in each case where none are so owned, directed or controlled, a statement to that effect.

ITEM 13 Commitments to Acquire Securities of Issuer:

Disclose all commitments made

- (a) by the issuer, and
- (b) where known after reasonable inquiry, by the persons and companies referred to in Item 12,

to acquire equity securities of the issuer, and the terms and conditions of any such commitments.

ITEM 14 Acceptance of Bid:

Where known after reasonable inquiry, state

- (a) the name of every person and company named in Item 12 who proposes to tender or accept the issuer bid, and
- (b) the number of securities in respect of which the person or company proposes to accept the bid.

ITEM 15 Benefits from Bid:

State the direct or indirect benefits to any of the persons or companies named in Item 12 of accepting or refusing to accept the bid.

ITEM 16 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,

- (a) any contract or agreement under negotiation, or
- (b) any proposal
 - (i) to liquidate the issuer,
 - (ii) to sell, lease or exchange all or a substantial part of its assets,
 - (iii) to amalgamate it with any other business organization, or
 - (iv) to make any material changes in its business, corporate structure (debt or equity), management or personnel.

ITEM 17 Other Benefits to Insiders, Affiliates and Associates:

If any material changes or subsequent transactions are contemplated, as described in Item 10 or 16, state, if known, any specific benefit, direct or indirect, as a result of the changes or transactions to any of the persons or companies named in Item 12.

ITEM 18 Arrangements Between Issuer and Security Holder:

Provide the details of any contract, arrangement or understanding, formal or informal, between the issuer and

- (a) any security holder of the issuer with respect to the issuer bid, and

- (b) any person or company with respect to any securities of the issuer in relation to the issuer bid.

ITEM 19 Previous Purchases and Sales:

State

- (a) the number and designation of any securities of the issuer purchased or sold by the issuer, other than securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights, during the 12 months preceding the date of the issuer bid, and
- (b) the purchase or sale price, the date and purpose of each transaction.

ITEM 20 Financial Statements:

(1) If the most recently available interim financial statements have not been delivered to security holders of the issuer, include the interim financial statements.

(2) If interim financial statements are not included, include a statement that the most recent interim financial statements will be sent without charge to anyone requesting them.

(3) Where interim financial statements are included, include a report of the chief financial officer of the offeree issuer stating whether, in the opinion of the chief financial officer, the financial statements present fairly the financial position of the offeree issuer and the results of its operations for the period under review.

ITEM 21 Valuation:

If a valuation is provided pursuant to a legal requirement or otherwise,

- (a) include a summary of the valuation disclosing the following:
 - (i) the basis of computation,
 - (ii) scope of review,
 - (iii) relevant factors and their values,
 - (iv) the key assumptions on which the valuation is based,
- (b) advise where copies of the valuation are available for inspection, and

- (c) state that a copy of the valuation will be sent to any registered security holder on payment of a nominal charge sufficient to cover printing and postage.

ITEM 22 Securities of Issuer to be Exchanged for Others:

Where an issuer bid provides that the consideration for the securities of the issuer is to be, in whole or in part, different securities of an issuer, include the information prescribed for the form of prospectus appropriate for the issuer.

ITEM 23 Approval of Bid:

(1) State that the issuer bid circular has been approved by the issuer's board of directors, disclosing the name of any director of the issuer who has informed the board of directors in writing of his opposition to the issuer bid.

(2) Where 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 24 Previous Distribution:

If the securities of the class subject to the issuer bid were distributed during the 5 years preceding the bid, state

- (a) the distribution price per share, and
- (b) the aggregate proceeds received by the issuer or selling security holder.

ITEM 25 Dividend Policy:

State

- (a) the frequency and amount of dividends with respect to shares of the issuer during the 2 years preceding the date of the issuer bid,
- (b) any restrictions on the issuer's ability to pay dividends, and
- (c) any plan or intention to declare a dividend or to alter the dividend policy of the issuer.

ITEM 26 Tax Consequences:

Provide a general description of the consequences of the issuer bid under the *Income Tax Act* (Canada) to the issuer and to the security holders of any class affected.

ITEM 27 Expenses of Bid:

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

ITEM 28 Judicial Developments:

Include reference to recent legal developments, if any, relating to the type of transaction or proposed transaction.

ITEM 29 Other Material Facts:

Describe

- (a) any material facts concerning the securities of the issuer, and
- (b) any other matter not disclosed in the foregoing that
 - (i) has not previously been generally disclosed,
 - (ii) is known to the issuer, and
 - (iii) 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 or company retained by or on behalf of the issuer to make solicitations in respect of the 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 of the issuer, and on behalf of the board of directors, by any 2 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:

Where the issuer has fewer than 4 directors and senior officers, the certificates must be signed by all of them.

DATE OF ISSUER BID CIRCULAR

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

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