

# FORM 4B NOTICE OF PRIVATE PLACEMENT

**Issuers must complete Parts I, and II of this Form in order to obtain conditional acceptance only of the Private Placement. To obtain final Exchange acceptance, and acceptance for Expedited Private Placements, Issuers must also complete Part III (where applicable) and Parts IV and V of this Form. See also Policy 1.3 - *Schedule of Fees* and Appendix 1A - *Notice of Billing Practices*.**

**I. GENERAL**

1. Re: \_\_\_\_\_ (the "Issuer")  
 Trading Symbol: \_\_\_\_\_ Tier: \_\_\_\_\_  
 Date of Notice \_\_\_\_\_
2. Date Price Reservation Form Filed: \_\_\_\_\_
3. Number of Issued and Outstanding Listed Shares: \_\_\_\_\_
4. The Market Price of any Listed Shares (or other securities which are of the same class as those to be issued under the Private Placement): \_\_\_\_\_
5. Date of News Release announcing Private Placement: \_\_\_\_\_
6. Is this filing in relation to:
  - a) an Expedited Private Placement, in compliance with the requirements as set out in section 5 of Policy 4.1 - *Private Placements*?  
 Yes  No   
 If Yes, please complete Parts I - III , V and VI of this Form.
  - b) Conditional acceptance by the Exchange of a Non-Expedited Private Placement:  
 Yes  No
  - c) Final acceptance by the Exchange of a Non-Expedited Private Placement:  
 Yes  No

**II. DETAILS OF PRIVATE PLACEMENT**

1. (a) Total amount of funds to be raised: \_\_\_\_\_
- (b) Total number of subscribers: \_\_\_\_\_
2. Proposed use of proceeds:
- \_\_\_\_\_
- \_\_\_\_\_
3. (a) Description of Listed Shares to be issued:
- (i) Class: \_\_\_\_\_
- (ii) Number: \_\_\_\_\_
- (iii) Subscription price per security: \_\_\_\_\_
- (b) Description of Warrants to be issued:
- (i) Number of Warrants: \_\_\_\_\_
- (ii) Number of Listed Shares eligible to be purchased on exercise of Warrants: \_\_\_\_\_
- (iii) Exercise price of Warrants: Year 1: \_\_\_\_\_ Year 2: \_\_\_\_\_  
Year 3: \_\_\_\_\_ Year 4: \_\_\_\_\_ Year 5: \_\_\_\_\_
- (iv) Expiry date of Warrants: \_\_\_\_\_
- (v) Other significant terms: \_\_\_\_\_
- (c) Description of Convertible Securities to be issued:
- (i) Number/ Aggregate principal amount: \_\_\_\_\_
- (ii) Number of Listed Shares to be issued on conversion: \_\_\_\_\_
- (iii) Expiry/Maturity date: \_\_\_\_\_
- (iv) Interest rate: \_\_\_\_\_
- (v) Conversion terms: \_\_\_\_\_

- (vi) Default provisions: \_\_\_\_\_
- (d) Total potential Listed Shares to be Issued [3 a(ii) + b(ii) + c(ii)]: \_\_\_\_\_
- (e) Description of any other securities to be issued in the Private Placement which are not Listed Shares, Warrants or Convertible Securities:  
\_\_\_\_\_
- (f) Voting rights of securities to be issued:  
\_\_\_\_\_
- (g) Total number of Listed Shares of the Issuer which will be issued and outstanding on closing:  
\_\_\_\_\_
- (h) Total number of Listed Shares of the Issuer that would be issued and outstanding if, in addition to the number under section 3(g) above, any Warrants and Convertible Securities issued in the Private Placement and not converted on closing were also converted on closing:  
\_\_\_\_\_

#### **4. Placees**

- (a) (i) The table below must be completed for final acceptance of any Private Placement, Expedited or otherwise.
- (ii) In order to receive final acceptance of the Private Placement, the table must disclose the identities of all purchasers who are subscribing for, or who will hold more than, 5% of the issued and outstanding Listed Shares, based on the calculation methods set out in section 4(a)(iii) of this Form 4B, and after completion of the Private Placement. The table must identify subscribers of record as well as purchasers who are beneficial holders.
- (iii) For more certainty, the figures in columns D and E of the table below must be calculated on Undiluted and Diluted bases for each beneficial holder. For the purposes of performing these calculations:
- (I) “Undiluted” means the total amount of Listed Shares held by a beneficial holder, including Listed Shares purchased under Private Placement, immediately on closing of the Private Placement; and

- (II) “Diluted” means the total amount of Listed Shares held by the beneficial holder under section 4(a)(iii)(I) above and any Listed Shares which would be issued to that beneficial holder on closing if all securities convertible into Listed Shares (including Warrants and Convertible Securities) and issued under the Private Placement were converted on closing.

The figures set out in sections 3(g) and 3(h) above must be used for the purposes of calculating the percentages required under column E of the table below.

- (iv) Subscriptions by any current Insiders, any Placees who will become Insiders after closing of the Private Placement and any Pro Group placees must be disclosed, if known, to the Exchange in order to obtain its conditional acceptance. If any information on a submitted Form 4B changes between the date it was initially submitted and the date of proposed closing of the Private Placement, and this change results in additional and previously undisclosed Insiders or Control Persons, or in an increase to the holdings of any previously disclosed Insider, the placements made to those additional and previously undisclosed or disclosed Persons may not close (other than in trust) until the Exchange has reviewed and provided its final acceptance to the Issuer in respect of those placements and Persons.

A	B	C	D	E	F
Name and address of subscriber of record	*Name and residential address of beneficial holder	# of Listed Shares or other Securities purchased	# of Listed Shares (Undiluted and Diluted)	% of outstanding Listed Shares (Undiluted and Diluted)	**Insider=I ProGroup=P

\* complete if the purchaser is not or will not be the beneficial holder.

\*\* if the Placee is an Insider prior to closing or will be an Insider after closing, please indicate with an "I"

- (b) If any Placees in item 4(a) are not individuals and a Corporate Placee Registration Form has not previously been filed or is not current, please attach the Corporate Placee Registration Form (Form 4C).
- (c) Placees that become Insiders as a result of the Private Placement must submit a PIF to the Exchange.
- (d) Will a Control Person be created as a result of this Private Placement?  
 Yes - on a Diluted basis   
 Yes - on an Undiluted basis   
 Unknown at this time

5. If this Private Placement is being conducted using an Agent provide the name of the Agent:

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6. Provide the following information for any bonus, finder's fee, commission or Agent's Option to be paid in connection with the Private Placement:

- (a) Confirm that the sales Agent/broker is arm's length to the Issuer:  
 Yes  No

If No, provide details regarding the relationship to the Issuer:

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- (b) Name of sales Agent/broker (name, address, beneficial ownership where applicable):
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(c) Cash: \_\_\_\_\_

(d) Securities: \_\_\_\_\_

(e) Expiry date of any Agent's Option: \_\_\_\_\_

(f) Exercise price of any Agent's Option: \_\_\_\_\_

7. Describe the particulars of any other proposed Material Changes in the affairs of the Issuer:

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8. Describe any unusual particulars or significant information regarding the transaction that is not described above (such as tax “flow through” securities):

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9. Does the transaction involve or form part of a series of transactions that may result in a Change of Business or Reverse Takeover? (as defined in Policy 1.1 - *Interpretation*)?

Yes  No

If Yes, describe all relevant terms:

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### III. EXPEDITED PRIVATE PLACEMENTS

**If the Private Placement is being filed as an Expedited Private Placement, please complete Parts I and II of this Form and confirm that the transaction meets the following criteria. If all statements are confirmed as “Yes”, the transaction may be filed as an Expedited Private Placement. If any statement is answered as “No”, the Private Placement does not meet the expedited criteria and must be filed pursuant to regular filing procedures.**

1. The pricing of the securities and any Warrants to be issued is in accordance with Policy 4.1 – *Private Placements*:  
Yes  No
2. No convertible securities, other than Warrants are to be issued as part of this Private Placement:  
Yes  No
3. Non-Arm’s Length Parties are purchasing less than 50% of the securities issued pursuant to the Private Placement:  
Yes  No
4. The Issuer is not a CPC or is not and has not been put on notice to have its listing transferred to NEX (refer to Policy 2.5 – *Continued Listing Requirements and Inter-Tier Movement*):  
Yes  No
5. The proceeds are to be expended on a business or asset for which the Issuer **has** received Exchange Acceptance:  
Yes  No
6. The issuance of securities will not create a Control Position in the Issuer:  
Yes  No

7. Any related commissions are paid or granted within the parameters in Policy 5.1 – *Loans Bonuses and Finders Fees*:  
Yes  No
8. A Corporate Placee Registration Form with current information is enclosed or has been previously filed for any such placee identified in items 4(a) and 4(b) of Part II:  
Yes  No
9. All Placees have been disclosed as required above and have committed all subscription funds:  
Yes  No
10. The aggregate number of securities issued pursuant to the Expedited Filing System (including this transaction) in the last six (6) months is less than 25% of the issued and outstanding securities at the date of the news release for a Tier 2 Issuer or 50% for a Tier 1 Issuer:  
Yes  No

If **all** of the above questions have been answered with a “Yes”:

Indicate in item 7 of Part I that the filing meets the requirements of the Expedited Filing System

- (a) Provide the total number of securities issued pursuant to Expedited Filings in the last six months, including substantially completed transactions:
    - (i) For Expedited Acquisitions: \_\_\_\_\_
    - (ii) For Previous Expedited Private Placements: \_\_\_\_\_
    - (iii) For this transaction: \_\_\_\_\_
- Total ((i) + (ii) + (iii)): \_\_\_\_\_

#### IV. FINAL DOCUMENTATION

Issuers must complete this section in order to receive final Exchange acceptance of any Private Placement. This section may be either completed and filed at the initial filing stage, or after the greater of 15 days after receiving conditional acceptance or 45 days from the Price Reservation date. If the Issuer is filing an Expedited Private Placement, the Declaration below must be filed with the initial filing. If any information in Parts I - II has changed subsequent to the initial Private Placement filing, the Issuer must update the appropriate sections in this Form.

1. Has any information required in Parts I and II changed since the Issuer originally filed the Notice?

Yes  No

If Yes, please provide an updated Notice highlighting the changes.

2. Have all the applicable Placees been disclosed pursuant to item 4 of Part II?

Yes  No

If No, please provide an updated Notice containing the appropriate Placee information.

3. Where the issuance of Private Placement securities, including securities that would be issued assuming the exercise of the Warrants, will create a Control Position in the Issuer, indicate the following:

- a) the name(s) of the new Control Person(s)

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- b) the date on which shareholder approval has or will be obtained for the transaction

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- c) If consents were used to obtain shareholder approval, please confirm that the issuer obtained consent from shareholders holding at least 50% +1 of the Issuer's outstanding securities prior to the Private Placement.

Yes  No

**V. DECLARATION**

This Declaration accompanies an application to the Exchange for final acceptance of the Private Placement summarized in the Private Placement Notice Form (the "Filing").

The undersigned hereby certifies that:

- a) the undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to make this Declaration;
- b) the Filing is in all respects in accordance with Policy 4.1 – *Private Placements*, in effect as of the date of this Declaration or any deviations are disclosed in the Notice filed by the Issuer;
- c) there are no Material Changes in the affairs of the Issuer which have not been publicly disclosed;
- d) any changes to the terms of this Private Placement since the date of filing and/or conditional acceptance of the Notice have been disclosed in an attachment to this Declaration;
- e) each purchaser who is subject to any hold period under Securities Laws or to the Exchange Hold Period has been advised and has confirmed compliance with such hold period(s) and any of his, her or its certificates evidencing his, her or its securities bears a legend indicating the relevant hold period; and
- f) the Issuer has completed the transaction in accordance with the applicable Securities Laws.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Name of Director and/or  
Senior Officer

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Official Capacity

**VI. ACKNOWLEDGEMENT – PERSONAL INFORMATION**

“Personal Information” means any information about an identifiable individual, and includes information contained in Part II and Part IV as applicable, of this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6A) pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6A or as otherwise identified by the Exchange, from time to time.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Name of Director and/or  
Senior Officer

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Official Capacity