

# ***CORPORATE FINANCE MANUAL*** (the “Manual”)

## ***UPDATE NOTICE*** ***December 15, 2008***

Last Update Notice – January 2006

The amendments communicated in this *Update Notice* are reflected in the Internet version:

[English: <http://www.tsx.com/en/productsAndServices/listings/cdnx/resources/resourcePolicies.html>]

[French: <http://www.tsx.com/fr/productsAndServices/listings/cdnx/resources/resourcePolicies.html>]

**The TSX Venture Exchange (the “Exchange”) will no longer be publishing hard copies of the Manual on a subscription basis. This is the last paper update being published. The Exchange wishes to thank its many long-time subscribers.**

\*\*\*\*\*

### **Bulletin dated December 15, 2008: Amendments to Corporate Finance Manual**

Amended policies, forms and appendices reflecting the changes to the Corporate Finance Manual noted in the bulletin issued November 3, 2008 are posted and are available for viewing and use by market participants. These changes are effective as of the close of business today.

### **Various Amendments:**

This paper update to the Manual is being provided in relation to Bulletins that were issued as noted below. These changes were made to the Internet version of the Manual on their effective date. The amendments are briefly summarized below.

For more details about the policy amendments please see the Bulletins at:

[http://www.tsx.com/en/listings/venture\\_issuer\\_resources/finance\\_bulletins.html](http://www.tsx.com/en/listings/venture_issuer_resources/finance_bulletins.html)

**Bulletin dated: February 27, 2006: Amendments to Dividend / Distribution Declaration form**

*Form 3E – Dividend / Distribution Declaration* was amended to reflect a change in the fax number to which the form must be faxed and the contact number for questions.

New fax number: (416) 947-4547

New contact number for questions: (416) 947-4663

**Bulletin dated: July 10, 2006: Amended Fee Schedule – change to GST**

The Exchange amended *Policy 1.3 - Fee Schedule* to reflect the reduction in GST from 7% to 6% effective July 1, 2006.

**Bulletin dated: December 6, 2006: New Fees**

The Exchange implemented certain revisions to *Policy 1.3 – Fee Schedule* and *Appendix 1A – Notice of Billing Practices*, which came into effect on **January 1, 2007**. The revisions related to Exchange sustaining fees and financing fees.

**Bulletin dated March 6, 2007: Period in Which Issuers May Update a TSX Venture Exchange or a Toronto Stock Exchange (TSX) Personal Information Form (PIF) Using a TSX Venture Exchange Declaration on Form 2C1 extended from 12 months to 36 months**

The Exchange amended *Policy 3.2 – Filing Requirements and Continuous Disclosure, Form 2A - Personal Information Form* (the “PIF”) and *Form 2C1 – Declaration* (the “Declaration”).

**Bulletin dated April 20, 2007: Mandatory Filing Dates for Revised TSX Venture Exchange Personal Information Form (PIF) and Revised TSX Venture Exchange Declaration (Form 2C1)**

The Exchange announced effective July 3, 2007, it would only accept PIFs and Declarations that are prepared using the revised forms.

**Bulletin dated May 31, 2007: Mandatory Filing Dates for Revised TSX Venture Exchange Personal Information Form (PIF) and Revised TSX Venture Exchange Declaration (Form 2C1)**

The Ontario Provincial Police adopted a new consent form (which is Exhibit 1 of the PIF & Declaration) along with a new requirement for photo identification to accompany all PIFs and Declarations. As a result, the Exchange further revised the PIF and Declaration to accommodate these changes.

### **Bulletin dated December 20, 2007: New Fees**

The Exchange implemented certain amendments to its schedule of fees which came into effect on January 1, 2008. The changes related to the Exchange's sustaining fees, CPC listing fees, financing fees and certain filing fees.

### **Bulletin dated May 14, 2008: Revisions to Policy 5.9 – Protection of Minority Security Holders in Special Transactions**

On February 1, 2008, Multilateral Instrument 61-101- *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) was adopted by the Ontario Securities Commission and the Autorité des marchés financiers. The instrument introduced harmonized requirements in Ontario and Québec for enhanced disclosure, independent valuations and majority of minority security holder approvals for particular transactions. The Exchange revised Policy 5.9 and other policies and forms where changes were required as a result. The Exchange will apply the provisions of MI 61-101 to all issuers listed on, or seeking a listing on, the Exchange.

### **Bulletin dated October 20, 2008: Restated Deal Structure and Founder Shares Guidelines**

The Exchange, in a bulletin published on December 11, 2007, set out capital structure guidelines for non-CPC issuers having issued, prior to listing, securities to principals or third parties for nominal consideration (the “Deal Structure and Founder Shares Guidelines”). The Exchange may vary these guidelines from time to time, at the election of the Exchange, in response to general market conditions. Founder Shares Guidelines which are varied will be restated with amendments underlined for issuer ease of reference. This bulletin is the first restated and amended Deal Structure and Founder Shares Guidelines and supersedes those guidelines published on December 11, 2007. The purpose of the amendments in the restated and amended guidelines was to reduce the threshold of an acceptable financing from \$10 million to \$5 million and to clarify further what is considered by the Exchange to be an acceptable supporting valuation.

### **Bulletin dated November 3, 2008: Temporary Relief Measures**

Due to the current difficult market environment faced by many of its listed issuers, the Exchange announced that it would consider granting temporary relief from certain policy requirements on a case by case basis in order to assist listed issuers who are facing conditions of immediate or imminent financial hardship.

The availability of this temporary relief extends until **March 31, 2009** (the “Temporary Period”). Issuers intending to rely on any waiver from policy due to this difficult market environment are to apply in writing to the Exchange.

**Bulletin dated November 3, 2008: Amendments to Streamline Policy and Eliminate Certain Differences between Tier 1 and Tier 2 Issuers**

The Exchange gave advance notice that effective December 15, 2008, (the “Effective Date”); it would implement a number of changes to its policies in an effort to streamline them (in some cases making them consistent with the policies of the Toronto Stock Exchange) and to remove certain existing differences between Tier 1 and Tier 2 issuers. The Exchange believes this will better serve market participants and increase overall efficiency. For those issuers who are facing the uncertainty of current market conditions, the changes also provide a measure of assistance.

**NO BULLETIN:**

The following housekeeping amendments were made. No Bulletins were issued in connection with these amendments.

**Appendix 3A – Acceptable Transfer Agents, Registrars and Escrow Agents** – was amended by adding or amending the following entries:

- Alliance Trust Company
- Eastern Trust (2007) Co. Ltd.
- Equity Transfer & Trust Company

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

**In British Columbia:** Andrew Hancharyk, Phone: 604-602-6982, Fax: 604-844-7502.

**In Alberta:** Roy Homyshin, Phone: 403-218-2826, Fax: 403-234-4338; or Peter Varsanyi, Phone: 403-218-2860, Fax: 403-234-4211.

**In Ontario:** Tim Babcock, Phone: 416-365-2202, Fax: 416-365-2224.

**In Québec:** Louis Doyle, Phone: 514-788-2407, Fax: 514-788-2421; or Sylvain Martel, Phone: 514-788-2408, Fax: 514-788-2421.