

January 16, 2005

Dear Client/Colleague:

NEW DEADLINES FOR FILING FINANCIAL STATEMENTS – IMPLICATIONS FOR AGM'S

We would like to provide you with a brief update and reminder on the new rules for filing your financial statements which may also affect your 2005 annual general meeting planning. As you are aware, National Instrument 51-102 Continuous Disclosure Obligations (“NI 51-102”) came into force on March 30, 2004. NI 51-102 effectively shortened the deadline for filing annual financial statements and annual MD&A from 140 days to 120 days for venture issuers and from 140 days to 90 days for non-venture issuers after the end of the financial year (“Filing Deadline”).

Under NI 51-102, you must file (on Sedar) and send your annual financial statements and MD&A by the Filing Deadline to all your securityholders who have previously requested them by either returning the request form or otherwise making a request (if the request is received by you less than 10 days before the Filing Deadline or after the Filing Deadline, you must send the financial statements and MD&A within 10 days of receiving the request.)

In order to comply with NI 51-102:

- you may send your annual financial statements and MD&A on or before the Filing Deadline to your securityholders who previously requested them (if any), and then send the other proxy-related materials later, in a second mailing, in time for your annual general meeting; or
- if you want to do only one mailing, schedule your annual general meeting so you can mail your annual financial statements and MD&A with your proxy-related materials; this would mean you must send your proxy-related materials no later than the Filing Deadline. For some issuers, this may mean their annual general meeting will have to be held much earlier than it was in the past.

The British Columbia Securities Commission and the Ontario Securities Commission (the “Commissions”) recognize that you may find it difficult to meet the shortened Filing Deadline, especially if you intend to print a glossy annual report and it cannot be completed, printed and mailed by the Filing Deadline, and, if you do not want to or cannot advance your annual general meeting date to accommodate a single mailing.

The Commissions are reviewing this issue and may later propose amendments to clarify the delivery requirements under NI 51-102. In the meantime, the Commissions have indicated they will not object if you send (in a glossy annual report or otherwise) your annual financial statements and MD&A to all of your registered and beneficial securityholders (other than to those beneficial owners who have declined to receive materials under NI 54-101 — Communication with Beneficial Owners of Securities of a Reporting Issuer (“NI 54-101”) and holders of debt instruments) in accordance with NI 54-101 and within the 140 days of your financial year end, in order to avoid having to do two separate mailings.

As a result, for the time being, you have a choice of holding your annual general meeting under the accelerated timeframe in order to have one mailing (and mailing only to your securityholders who previously requested them, if any) or, you may use the relief the Commissions are currently granting, in order to hold your annual general meeting later and still do one mailing (albeit to a broader group).

The foregoing only applies to the actual mailing of the financial statements and MD&A and does not affect your obligation to file on Sedar the financial statements and MD&A.

Please contact us at (604) 685-6100 if you have any questions or require any further information.

If you have any questions or would like more information, please contact us as set out below:

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Yours truly,

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This bulletin is a general discussion of certain legal and related developments and should not be relied upon as legal advice. If you require legal advice, we would be pleased to discuss with you the issues raised in this bulletin in the context of your particular circumstances.