

LISTING REQUIREMENTS FOR OIL & GAS (EXPLORATION OR PRODUCING) COMPANIES



	TSX Venture Tier 1	TSX Venture Tier 2
Net Tangible Assets, Earnings or Revenue	No Requirement	
Working Capital and Financial Resources	Adequate working capital and financial resources to carry out stated work program or execute business plan for 18 mo. following listing; \$200,000 unallocated funds	Adequate working capital and financial resources to carry out stated work program or execute business plan for 12 mo. following listing; \$100,000 unallocated funds
Distribution, Market Capitalization and Public Float	Public float of 1,000,000 shares; 250 Public Shareholders each holding a Board Lot and having no Resale Restrictions on their shares; 20% of issued and outstanding shares in the hands of Public Shareholders	Public float of 500,000 shares; 200 Public Shareholders each holding a Board Lot and having no Resale Restrictions on their shares; 20% of issued and outstanding shares in the hands of Public Shareholders
Sponsorship	Sponsor report may be required	
Property Requirements	<p>Exploration - \$3,000,000 in reserves of which a minimum of \$1,000,000 must be proved developed reserves⁽ⁱ⁾ and the balance probable reserves</p> <p>Producing - \$2,000,000 in proved developed reserves⁽ⁱ⁾</p>	<p>Exploration – either (i) Issuer has an unproven property with prospects or (ii) Issuer has joint venture interest and \$5,000,000 raised by Prospectus offering</p> <p>Reserves – either (i) \$500,000 in proved developed producing reserves or (ii) \$750,000 in proved plus probable reserves</p>
Recommended Work Program	<p>Exploration - satisfactory work program (i) of no less than \$500,000 and (ii) which can reasonably be expected to increase reserves, as recommended in a Geological Report</p> <p>Producing - No requirement</p>	<p>Exploration – minimum of \$1,500,000 allocated by Issuer to a work program as recommended in a Geological Report except where Issuer has a joint venture interest and has raised \$5,000,000 in Prospectus offering</p> <p>Reserves – (i) satisfactory work program and (ii) in an amount of no less than \$300,000 if proved developed producing reserves have a value of less than \$500,000 as recommended in Geological Report</p>
Management and Board of Directors	Management, including board of directors, should have adequate experience and technical expertise relevant to the company's business and industry as well as adequate public company experience. Companies are required to have at least two independent directors.	
Other Criteria	Geological Report recommending completion of work program	

(i) "Proved development reserves" are defined as those reserves that are expected to be recovered from existing wells and installed facilities, or, if facilities have not been installed, that would involve low expenditure, when compared to the cost of drilling a well, to put the reserves on production.

LISTING REQUIREMENTS FOR OIL & GAS (EXPLORATION OR PRODUCING) COMPANIES



	TSX Non-Exempt Oil & Gas Development Stage Issuers ⁹	TSX Non-Exempt Oil & Gas Exploration and Development Issuers	TSX Exempt Oil & Gas Issuers ⁴
Net Tangible Assets, Earnings or Revenue	No requirements		Pre-tax profitability from ongoing operations in last fiscal year. Pre-tax cash flow from ongoing operations of \$700,000 in last fiscal year and average pre-tax cash flow from ongoing operations of \$500,000 for the past two fiscal years.
Working Capital and Financial Resources	Adequate funds to either: (a) execute the development plan and cover all other capital expenditures & G&A ¹ + debt service expenses, for 18 months with a contingency allowance; OR (b) bring the property into commercial production, & adequate working capital to fund all budgeted capital expenditures + carry on the business. 18 month projection of sources & uses of funds signed by CFO ⁶ ; appropriate capital structure	Adequate funds to execute the program and cover all other capital expenditures & G&A ¹ + debt service expenses for 18 months with a contingency allowance; 18 month projection of sources and uses of funds signed by CFO; appropriate capital structure	Adequate working capital to carry on the business. Appropriate capital structure.
Distribution, Market Capitalization and Public Float	At least 1,000,000 freely tradable shares with an aggregate market value of \$4,000,000; 300 public holders, each with one board lot or more Minimum market value of the issued securities that are to be listed of at least \$200,000,000	At least 1,000,000 freely tradable shares with an aggregate market value of \$4,000,000; 300 public holders, each with one board lot or more	
Sponsorship	Sponsor report may be required (generally not required for IPOs or TSX Venture Graduates)		Not required
Property Requirements	Contingent resources ⁷ of \$500,000,000 ⁸	\$3,000,000 proved developed reserves ^{2,5}	\$7,500,000 proved developed reserves ^{2,5}
Recommended Work Program	Clearly defined development plan, satisfactory to the Exchange, which can reasonably be expected to advance the property	Clearly defined program to increase reserves	
Management and Board of Directors	Management, including the board of directors, should have adequate experience and technical expertise relevant to the company's business and industry as well as adequate public company experience. Companies are required to have at least two independent directors.		
Other Criteria	Up-to-date technical report prepared by an independent technical consultant (NI 51-101 ³)		

(1) "G&A" means general and administrative expenses.

(2) "Proved developed reserves" are defined as those reserves that are expected to be recovered from existing wells and installed facilities, or, if facilities have not been installed, that would involve low expenditure, when compared to the cost of drilling a well, to put the reserves on production.

(3) "NI 51-101" National Instrument 51-101 – Standards of Disclosure for Oil & Gas Activities – available at: <http://www.osc.gov.on.ca/>

(4) Exceptional circumstances may justify the granting of Exempt status notwithstanding the minimum requirements – generally an affiliation with an established business and/or exceptionally strong financial position is required.

(5) Reserve value of pre-tax net present value of future cash flows using a 10% discount rate: forecast pricing assumptions are used.

(6) This projection must also include actual financial results for the most recently completed quarter;

(7) "Contingent resources" are defined in accordance with Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101, however the Exchange in its discretion may exclude certain resources classified as contingent resources after taking into consideration the nature of the contingency. The Exchange will use the best-case estimate for contingent resources, prepared in accordance with National Instrument 51-101.

(8) The Company must submit a technical report prepared by an independent technical consultant that conforms to National Instrument 51-101 and be acceptable to the Exchange. Reports prepared in conformity with other reporting systems deemed by the Exchange to be the equivalent of National Instrument 51-101 will normally be acceptable also. The value of the resources should be calculated as the best-case estimate of the net present value of future cash flows before income taxes, prepared on a forecast basis, and discounted at a rate of 10%. The Exchange may, at its discretion, also require the provision of a price sensitivity analysis.

(9) The Exchange strongly recommends pre-consultation with the Exchange for any applicant applying under this listing category. Generally, this category will be limited to issuers with unconventional oil & gas assets, such as oil sands