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In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and the Companies Ordinance:

**ACCOUNTS IN THIS PROSPECTUS**

The Accountants' Report set out in Appendix I to this Prospectus includes financial information for each of the three years ended 31 December 2008, 2009 and 2010 and for the nine months ended 30 September 2011.

Rule 4.04 of the Listing Rules requires that we include in this Prospectus the consolidated results of our Group in respect of the three years ended 31 December 2011.

We have applied for, and the Stock Exchange has granted us a waiver from strict compliance with Rule 4.04(1) of the Listing Rules. Strict compliance with Rule 4.04 of the Listing Rules would be unduly burdensome on us as there would not be sufficient time for us and our reporting accountants to prepare full year audited accounts for the year ended 31 December 2011 prior to the issue of this Prospectus.

The Stock Exchange has granted us a waiver from strict compliance with Rule 4.04(1) of the Listing Rules on the condition that (i) we list on the Stock Exchange on or before 31 March 2012; (ii) we have obtained a certificate of exemption from the SFC from strict compliance with paragraphs 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance; (iii) a loss estimate for the latest financial year which complies with Rule 11.17 to 11.19 of the Listing Rules has been included in this Prospectus; and (iv) there is a Directors' statement in the Prospectus providing that there has been no material adverse change to our financial or trading position since 30 September 2011. Our Directors have confirmed that they have ensured that sufficient due diligence has been carried out and that, save as disclosed in this Prospectus, up to the date of this Prospectus there has been no material adverse change in our financial or trading position since 30 September 2011 and there has been no event since 30 September 2011 which would materially affect the information shown in the Accountants' Report in Appendix I to this Prospectus.

Paragraph 27 of Part I of the Third Schedule to the Companies Ordinance requires that we set out in this Prospectus a statement as to the gross trading income or sales turnover during the three years preceding the issue of this Prospectus, including an explanation of the method used for the computation of such income or turnover and a reasonable break-down between the more important trading activities. Paragraph 31 of Part II of the Third Schedule to the Companies Ordinance requires that we include in this Prospectus a report by the auditors with respect to the profits and losses and assets and liabilities of our Group in respect of each of the three financial years immediately preceding the issue of this Prospectus.

We have applied for, and the SFC has granted us an exemption from strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance in relation to the inclusion of the Accountants' Report for the full year ended 31 December 2011 in the Prospectus. Strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance would be unduly burdensome on us as there would not be sufficient time for us and our reporting accountants to prepare full year audited accounts for the year ended 31 December 2011 prior to the issue of this Prospectus.

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Our Directors believe that the waiver from strict compliance with Rule 4.04 of the Listing Rules and the exemption from strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance will not prejudice the interests of the investing public.

#### **MANAGEMENT PRESENCE**

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong for the purposes of satisfying the requirements under Rule 8.12 of the Listing Rules. We have applied for a waiver from strict compliance with Rule 8.12 of the Listing Rules on the basis that, as our headquarters and our principal business operations are located in Canada, our management is best able to attend to its functions by being based in Canada. We have received from the Stock Exchange a waiver from compliance with Rule 8.12 of the Listing Rules subject to the following conditions:

- (a) we have appointed two authorised representatives pursuant to Rules 2.11 and 3.05 of the Listing Rules who will act as our principal communication channels with the Stock Exchange and will ensure that we comply with the Listing Rules at all times. The authorised representatives are Mr. Tingan Liu and Mr. Haotian Li, both of whom are ordinarily resident in Hong Kong. Each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange, will be available to answer any queries raised by the Stock Exchange and will be readily contactable by telephone, facsimile or e-mail;
- (b) each of the authorised representatives has means to contact all members of the Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the members of the Board for any matters. We will implement a policy whereby each Director will provide his mobile phone number, office phone number, fax number and e-mail address to the Stock Exchange;
- (c) each Director who is not an ordinary resident in Hong Kong has confirmed that (s)he possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time, when required; and
- (d) in compliance with Rule 3A.19 of the Listing Rules, we shall retain a qualified institution as compliance adviser, for a period commencing on the Listing Date and ending on the date on which we distribute the annual report for the first full financial year commencing after the Listing Date in accordance with Rule 13.46 of the Listing Rules, to provide us with advice on compliance with the Listing Rules, as well as all other applicable laws, rules, codes and guidelines. Our compliance adviser will act as an additional channel of communication between ourselves and the Stock Exchange. We have appointed Anglo Chinese Corporate Finance Limited to act as our compliance adviser.

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## **COMPANY SECRETARY**

Rule 8.17 of the Listing Rules provides that an issuer must appoint a Company Secretary who satisfies Rule 3.28 of the Listing Rules. Rule 3.28 of the Listing Rules provides that an issuer must appoint as its Company Secretary an individual who, by virtue of their academic or professional qualifications is, in the opinion of the Stock Exchange, capable of discharging the functions of Company Secretary. We have applied for, and the Stock Exchange has granted us, a partial waiver from strict compliance with Rule 8.17 of the Listing Rules on the grounds that we will appoint two joint company secretaries, as follows:

- (a) a joint Hong Kong company secretary, being Mr. Tingan Liu (the “**Hong Kong Company Secretary**”), who will provide Hong Kong company secretarial support and assistance for an initial period of three years after the Listing Date; and
- (b) a joint Canadian company secretary, being Mr. Richard Walter Pawluk (the “**Canadian Company Secretary**”) who will work closely with and assist the Hong Kong Company Secretary.

Upon the expiry of the three-year period, the qualifications and experience of the Canadian Company Secretary and the need for the on-going assistance of the Hong Kong Company Secretary will be further evaluated by our Company, and our Company will then endeavour to demonstrate to the Stock Exchange’s satisfaction that the Canadian Company Secretary, having had the benefit of the Hong Kong Company Secretary’s assistance for the immediately preceding three years, has acquired “relevant experience” within the meaning of Note 2 to Rule 3.28 of the Listing Rules such that a further waiver from Rule 8.17 of the Listing Rules will not be necessary. As a member of The Hong Kong Institute of Chartered Company Secretaries, Mr. Tingan Liu, the Hong Kong Company Secretary, meets the relevant requirements of Note 1 to Rule 3.28 of the Listing Rules.

## **BASIC CONDITIONS IN RELATION TO QUALIFICATIONS FOR LISTING**

Pursuant to Rule 8.05 of the Listing Rules, an issuer must satisfy one of the three tests in relation to: (i) profit; (ii) market capitalisation, revenue and cash flow; or (iii) market capitalisation and revenue requirements. Chapter 18 of the Listing Rules applies to mineral companies. Under Rule 18.04 of the Listing Rules, the requirements of Rule 8.05 of the Listing Rules may not apply if the Stock Exchange is satisfied that the directors and management of the issuer have sufficient and satisfactory experience of at least five years in mining and/or exploration activities and their experience is properly disclosed in the Prospectus. Each of our two executive Directors and our senior management members have more than five years of experience in mining and/or exploration activities, as disclosed in the section of this Prospectus entitled “Directors and Management”. We have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 8.05(1)(a) of the Listing Rules in accordance with the reasoning under Rule 18.04 of the Listing Rules.

## **INSPECTION OF LEGISLATION AND REGULATIONS**

Rule 19.10(6) of the Listing Rules provides that an overseas issuer must offer for inspection a copy of any statutes or regulations which are relevant to the summary of the regulatory provisions of

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the jurisdiction in which the overseas issuer is incorporated. In our case these include, among others, the ABCA, the Securities Act, the UPPVP Act, the Investment Canada Act and the ITA. Copies of these statutes and regulations are lengthy and it would be difficult to deliver copies to Hong Kong in physical format. In addition, such copies can be readily accessed via the internet. For further details about how to access copies of this legislation via the internet, please refer to the section entitled “Documents Delivered to the Registrar of Companies and Available for Inspection” in Appendix VII to this Prospectus. As such, we have sought, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 19.10(6) of the Listing Rules.

### **ARTICLES AND BY-LAWS AND CHAPTER 13 OF THE LISTING RULES**

Appendix 3 of the Listing Rules states that the articles of association or equivalent document must conform with the provisions set out in that appendix (the “**Articles Requirements**”). Our Articles and By-Laws do not comply with certain of the Articles Requirements. In many cases an Articles Requirement may not strictly be met but is covered by a broadly commensurate provision in our Articles and By-Laws, the ABCA and/or other applicable Canadian laws, rules or regulations. We have not applied for a waiver from strict compliance in these cases. We have applied for, and the Stock Exchange has granted us, waivers from strict compliance with the following Articles Requirements. Further information about our Articles and By-laws are set out in the section entitled “Summary of the Articles and By-laws of our Company, certain Alberta laws and Canadian Federal laws and Shareholder Protection Matters” in Appendix V to this Prospectus.

#### **As Regards Definitive Certificates**

Paragraph 2(1) of Appendix 3 states that all certificates for capital must be under seal. Under the ABCA, the directors may authorise the seal to be impressed upon our Company’s share certificates. However, the compulsory affixing of seals on shares certificates is not required by the ABCA and the Articles and By-Laws only require a share certificate to bear the signature of a Director or duly authorised officer of our Company. We believe that the ABCA and our Articles and By-laws provide a sufficient level of Shareholder protection.

#### **As Regards Directors**

Paragraph 4(1) of Appendix 3 of the Listing Rules requires that any director prohibited from voting because of his interest in a material transaction shall not be counted in the quorum present at the meeting. This requirement is not consistent with Canadian corporate law or practice, in which a director prohibited from voting would still be counted in the quorum for the meeting. We believe that strict compliance with this rule may result in situations where we will be unable to approve matters put to the Board. Shareholder rights will not be prejudiced in that Shareholder protection is available from three sources: (i) the disclosure requirements under our Articles and By-Laws and the ABCA will provide information about the extent of the interest of each Director in a transaction or contract; (ii) the general overriding duty that Directors are required to act honestly and in good faith with a view to the best interests of our Company; and (iii) a transaction or contract where a Director has a material interest may be void or voidable if it is not fair and reasonable to our Company at the time it was entered into.

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Paragraph 4(4) of Appendix 3 of the Listing Rules requires that the minimum length of the period during which notice to the issuer of the intention to propose a person for election as a director and during which notice to the issuer by such person of his willingness to be elected may be given, will be at least seven days. This is inconsistent with Canadian corporate practice and we believe that it may be perceived by Shareholders to be detrimental to the fundamental right of shareholders in Canada to nominate directors at meetings without notice to the company.

Paragraph 4(5) of Appendix 3 of the Listing Rules requires that the period for lodgment of the notices referred to in Paragraph 4(4) of Appendix 3 of the Listing Rules will commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting. We have sought a waiver from this provision for the reasons described in the discussion of paragraph 4(4) of Appendix 3 of the Listing Rules above.

### **As Regards Accounts**

Paragraph 5 of Appendix 3 of the Listing Rules requires that a copy of either (i) the directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and the profit and loss account or income and expenditure account; or (ii) the summary financial report shall, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member. There is no equivalent provision in our Articles and By-Laws, although under the ABCA annual meeting notices of an Alberta incorporated company (including business report and financial results) must be served at least 21 days and no more than 50 days before the date of the annual general meeting. Our existing shareholder communications follow market practice in Alberta and provide a commensurate standard of Shareholder protection.

### **As Regards Rights**

Paragraph 6(2) of Appendix 3 of the Listing Rules requires that the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class. We sought a waiver from strict compliance with the requirement in paragraph 6(2) of Appendix 3 of the Listing Rules on the basis that such a quorum requirement is uncommon in Canada. There are no provisions in the Articles and By-Laws which relate to the quorum for meetings of separate classes of shareholder. The quorum for a shareholders' meeting is persons holding no less than 5% of the issued Shares. We believe that the ABCA and our Articles and By-laws provide a sufficient level of shareholder protection.

### **As Regards Non-Voting or Restricted Voting Shares**

Paragraph 10(1) of Appendix 3 of the Listing Rules states that where the capital of the issuer includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares. Although our Articles and By-Laws do not contain such a requirement, we have undertaken to the Stock Exchange to comply with such requirement.

Paragraph 10(2) of Appendix 3 of the Listing Rules states that where the capital of the issuer includes shares with different voting rights, the designation of each class of shares, other than those

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with the most favourable voting rights, must include the words “restricted voting” or “limited voting”. Although our Articles and By-Laws do not contain such a requirement, we have undertaken to the Stock Exchange to comply with such requirement.

### **As Regards Proxies**

Paragraph 11(1) of Appendix 3 of the Listing Rules states that where provision is made in our Articles and By-Laws as to the form of proxy, this must be worded so as not to preclude the use of a two-way form. Our Articles and By-Laws do not contain such requirement as the ABCA and Canadian securities laws precludes the use of two-way voting for the appointment of an auditor and the election of directors. The form of proxy that we provide to Shareholders must comply with, and conform to, Part 9 of NI 51-102.

### **OTHER CONTINUING OBLIGATIONS**

The waivers granted by the Stock Exchange described above in relation to Appendix 3 of the Listing Rules also cover certain provisions contained in Chapter 13 of the Listing Rules that overlap with the Articles Requirements contained in Appendix 3 of the Listing Rules, including, *inter alia*, Rules 13.38 and 13.44 of the Listing Rules, as set out below:

- Rule 13.38 of the Listing Rules which would require us to send, with the notice convening a meeting of holders of listed securities to all persons entitled to vote at the meeting, proxy forms with provision for two-way voting on all resolutions intended to be proposed at a meeting, on the basis that in the case of the election of directors, or the appointment of auditors, the proxy forms will state that the shareholder is only able either to vote for the resolution or abstain from voting, consistent with the ABCA and all applicable Canadian securities law.
- Rule 13.44 of the Listing Rules which would, subject to exceptions, require that a director of the issuer will not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor will he be counted in the quorum present at the meeting, as we believe that strict compliance with this Listing Rule may result in situations where we will be unable to approve matters put to the Board. The Directors are subject to disclosure obligations under the ABCA and our Articles and By-Laws. For further details, please refer to the section entitled “Summary of the Articles and By-Laws of our Company, Certain Alberta laws and Canadian Federal Laws and Shareholder Protection Matters — Summary of Key Alberta Corporate Laws, our Articles and By-Laws — Amendments to our Articles and By-Laws — Restrictions on Directors’ voting” in Appendix V to this Prospectus.

Further details of our Articles and By-Laws are set out in the section entitled “Summary of the Articles and By-Laws of our Company, Certain Alberta Laws and Canadian Federal Laws and Shareholder Protection Matters” in Appendix V to this Prospectus.



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### **RULE 18.33(6) OF THE LISTING RULES**

Mineral Companies (as defined in the Listing Rules) are required to disclose in their listing prospectus, and their interim and annual reports, details of their reserves and resources, which must be presented in accordance with the relevant reporting standard. For Mineral Companies exploring petroleum resources and reserves, the required reporting standards are set out in Rules 18.32 to 18.33 of the Listing Rules. Rule 18.33(5) of the Listing Rules provides that “estimated volumes of Contingent Resources or Prospective Resources” may be disclosed if “relevant risk factors are clearly stated” and Rule 18.33(6) of the Listing Rules requires issuers to ensure that “economic values are not attached to Possible Reserves, Contingent Resources or Prospective Resources”.

We have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 18.33(6) of the Listing Rules, such that we may disclose estimates of both the volumes and values of our possible reserves, contingent resources and PIIP in this Prospectus and on an ongoing basis in accordance with Chapter 18 of the Listing Rules. We have applied for such a waiver on the basis that contingent resources are commonly and widely used valuation metrics in the oil sands industry and they are important indicators for potential oil sands investors to consider when making an investment decision and the value ascribed to our contingent resources comprises a meaningful part of our Company’s value.

### **RULE 9.09 OF THE LISTING RULES**

According to Rule 9.09 of the Listing Rules, there must be no dealing in the Shares by any of our connected persons from four clear Business Days before the expected hearing date until Listing is granted (the “**Restricted Period**”).

The ITA entitles Canadian resident individuals (including certain partnerships and trusts that have Canadian resident individuals as their members and beneficiaries, respectively) to an exemption from tax on up to C\$750,000 of capital gains realised on the sale of a share which is a “qualified small business corporation share”, as defined in the ITA (the “**Capital Gains Exemption**”). An individual’s entitlement to utilise the Capital Gains Exemption is subject to a number of restrictions and conditions, including the fact that throughout the 24 month period immediately preceding the disposition of the shares, the company must qualify as a “Canadian-controlled private corporation” (“**CCPC**”), as defined in the ITA. A company will not qualify as a CCPC if the shares of the company are listed on a designated stock exchange (which includes the Stock Exchange). Therefore, the Listing of the Shares will result in the Shares no longer being eligible for the Capital Gains Exemption. As a result, certain individuals (including eligible partnerships and trusts) resident in Canada, being Michael John Hibberd, Diane Hibberd, Chris Hibberd, Graeme Hibberd, Jennifer Hibberd, Kees Van Winters, Jolanta Madej, Robert James Hibberd, Songning Shen, Minghua Ding and Raymond Shengti Fong (the “**Transferors**”) may wish to transfer their Shares to an entity controlled by the Transferor prior to the Listing in a manner that enables the Transferor to utilise the Capital Gains Exemption (collectively, the “**Crystallisation Transactions**”).

We have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 9.09 of the Listing Rules in relation to the Crystallisation Transactions to be undertaken by

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Transferors that are connected persons of the Company (or associates of such connected persons) (each, a “**Connected Transferor**”), on the basis that the Crystallisation Transactions will not unduly prejudice the interests of the Shareholders of our Company. Such waiver has been granted by the Stock Exchange for any Crystallisation Transaction undertaken by a Connected Transferor during the Restricted Period. We have undertaken to the Stock Exchange not to permit a share transfer during the Restricted Period by any Connected Transferor unless it is in compliance with the terms of this waiver and neither our Company nor any of the Joint Sponsors will disclose any material non-public price-sensitive information to any existing or potential Shareholder of the Company in violation of any applicable laws, rules and regulations. We will also notify the Stock Exchange of any dealings or suspected dealings by any connected person of our Company when we become aware of it and promptly release any non-public price-sensitive information to the public under all applicable laws, rules and regulations. Our Directors and Chief Executive have undertaken, on behalf of themselves and their associates, not to deal in securities of our Company during the Relevant Period in compliance with Rule 9.09 of the Listing Rules.