

REGULATION TO AMEND REGULATION 41-101 RESPECTING GENERAL PROSPECTUS REQUIREMENTS

Securities Act

(chapter V-1.1, s. 331.1, par. (1), (6), (8), (19), (20) and (34))

1. Section 1.1 of Regulation 41-101 respecting General Prospectus Requirements (chapter V-1.1, r. 14) is amended:

(1) by deleting the definition of the expression “Aequitas personal information form”;

(2) by replacing, in the definition of the expression “IPO venture issuer”, “Aequitas NEO Exchange Inc.” with “NEO Exchange Inc.”;

(3) by inserting, after the definition of the expression “mineral project”, the following:

““NEO personal information form” means a personal information form for an individual prepared pursuant to NEO Exchange Inc. Form 3, as amended from time to time;”;

(4) by replacing, in the definition of the expression “personal information form”, paragraph (c) with the following:

“(c) a completed NEO personal information form submitted by an individual to NEO Exchange Inc., to which is attached a completed certificate and consent in the form set out in Schedule 1 – Part B of Appendix A;”.

2. Section 7.2 of the Regulation is amended by replacing, in the French text of paragraph (2.1), the words “titres adossés à des créances” with the words “titres adossés à des actifs”.

3. Form 41-101F1 of the Regulation is amended:

(1) in the general instructions:

(a) by replacing paragraph (8) with the following:

“(8) *If the issuer is a structured entity, as that term is defined in Canadian GAAP applicable to publicly accountable enterprises, or the term equivalent to structured entity under the issuer’s GAAP, modify the disclosure requirements in this Form to reflect the nature of the issuer’s business.*”;

(b) by replacing, in paragraph (12), “Form 51-102F2” with “Part 3 of Form 51-102F1”;

(c) by replacing, in paragraph (14), the first sentence with the following:

“*Where requirements in this Form make reference to, or are substantially similar to, requirements in Form 51-102F1 or Form 51-102F2 of Regulation 51-102 respecting Continuous Disclosure Obligations, issuers may apply subsection (12) of General Instructions for Part 2 and Part 3 of Form 51-102F1 and subsection (5) of General Instructions for Part 2 of Form 51-102F2.*”;

(2) in item 1.9:

(a) by replacing, in the French text of paragraph (1), the words “les titres” with the word “ceux”;

(b) by replacing, in paragraph (4), “Aequitas NEO Exchange Inc.” with “NEO Exchange Inc.”;

(3) in item 5.1:

(a) by replacing paragraph (1) with the following:

“(1) Describe the business of the issuer and its reportable segments as that term is interpreted in the issuer’s GAAP. Disclose information for each reportable segment of the issuer in accordance with section 15 of Form 51-102F1 of Regulation 51-102 respecting Continuous Disclosure Obligations.”;

(b) by deleting paragraph (4);

(4) by replacing, in item 5.3, the words “titres adossés à des créances” with the words “titres adossés à des actifs”, wherever they appear in the French text, and “section 5.3 of Form 51-102F2” with “section 17 of Form 51-102F1”;

(5) in item 5.4:

(a) by replacing, in the first paragraph, “section 5.4 of Form 51-102F2” with “section 18 of Form 51-102F1”;

(b) by deleting the second paragraph;

(6) by deleting, in item 7.1, paragraphs (1) and (2);

(7) in item 8.1:

(a) by replacing paragraph (1) with the following:

“(1) For the purposes of this Item, “MD&A” has the same meaning as in Regulation 51-102 respecting Continuous Disclosure Obligations.”;

(b) in paragraph (2):

(i) by replacing, in the text preceding subparagraph (a) and in paragraph (a), “Form 51-102F1” with “Part 2 of Form 51-102F1 and Part 2 of Form 51-102F2”;

(ii) in subparagraph (b):

(A) by replacing, in subparagraph (i), “section 1.11” with “section 7”;

(B) by deleting subparagraph (ii);

(iii) by replacing, in subparagraph (c) and the instructions, “section 1.10” with “section 4”;

(8) by replacing, in item 8.2, the guidance with the following:

“GUIDANCE

Under section 4 of Form 51-102F2, venture issuers, or IPO venture issuers, have the option of meeting the requirement to provide interim MD&A under section 3 of Form 51-102F2 by providing quarterly highlights disclosure.”;

(9) by deleting items 8.4, 8.6 and 8.8;

(10) by replacing, in the French text of subparagraph (c) of the first paragraph of item 8.7, the words “dépenses en immobilisations” with the words “dépenses d’investissement”;

(11) by replacing, wherever they appear in the French text of items 10.3 and 10.7, the words “titres adossés à des créances” with the words “titres adossés à des actifs”;

(12) by replacing item 13.2 with the following:

“13.2. Trading price and volume

(1) For each class or series of securities of the issuer distributed under the prospectus or securities of the issuer into which those classes or series of securities are convertible or exchangeable that is traded or quoted on a Canadian or foreign marketplace for which the issuer has applied for and received a listing, identify all such marketplaces.

(2) If a Canadian marketplace is not identified under subsection (1) in respect of a class or series of securities of the issuer distributed under the prospectus or securities of the issuer into which those classes or series of securities are convertible or exchangeable, but one or more foreign marketplaces are identified under subsection (1) in respect of that class or series, identify the foreign marketplace on which the greatest volume of trading or quotation generally occurs and provide either of the following in respect of that class or series:

(a) the price ranges and volume traded or quoted on a monthly basis for each month or, if applicable, partial months of the 12-month period before the date of the prospectus;

(b) the address of the website or other publicly available source where the information required under paragraph (a) can be found.”;

(13) by replacing, in paragraph (1) of item 16.1, “section 10.1 of Form 51-102F2” with “section 23 of Form 51-102F1”;

(14) by replacing, in item 16.2, “section 10.2 of Form 51-102F2” with “section 24 of Form 51-102F1”;

(15) by deleting item 16.3;

(16) by replacing, in item 20.11, “Aequitas NEO Exchange Inc.” with “NEO Exchange Inc.”;

(17) in the instructions of item 21.1:

(a) by replacing paragraph (2) with the following:

“(2) *A risk factor must not be de-emphasized by including, for greater certainty, excessive caveats or conditions.*”;

(b) by adding, after paragraph (2), the following:

“(3) *Consider presenting risk factor disclosure in a manner, such as the tabular form below or any other suitable manner, that clearly identifies, for each risk factor*

(a) *the nature of the risk factor,*

(b) *its description,*

and (c) the issuer's impact/probability (i.e., its seriousness),

(d) the issuer's risk mitigation strategy relating to it.

RISK FACTORS

Nature of Risk Factor	Description	Impact/Probability Assessment	Risk Mitigation Strategy
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(18) in item 22.1:

(a) by deleting, in paragraph (1), subparagraphs (c) and (d);

(b) by inserting, in subparagraph (a) of paragraph (5) and after the words “or has”, “within the 10 years before the date of the preliminary prospectus”;

(c) by deleting paragraph (6);

(19) by replacing, in item 24.1, “section 13.1 of Form 51-102F2” with “section 28 of Form 51-102F1”;

(20) by replacing, in item 24.2, “section 13.1 of Form 51-102F2” with “subsection 28(1) of Form 51-102F1”;

(21) by deleting item 26.2;

(22) by replacing, in item 28.2, “section 16.2 of Form 51-102F2” with “subsections 30(2) and (3) of Form 51-102F1” and “section 16.1 of Form 51-102F2” with “subsection 30(1) of Form 51-102F1”;

(23) by replacing, in the French text of item 38.2, the title with “**Titres adossés à des actifs**”.

4. Transition

(1) In this section, the expression “prospectus” means a preliminary prospectus, an amendment to a preliminary prospectus, a final prospectus or an amendment to a final prospectus.

(2) In this section, the expression “issuer's effective date” means, in relation to an issuer, the earlier of

(a) the date the issuer is required to include in a prospectus an MD&A for its first financial year ending on or after (*indicate here the date of coming into force of this Regulation*), and

(b) the date, on or after (*indicate here the date of coming into force of this Regulation*), the issuer includes in a prospectus an MD&A that is prepared under Regulation 51-102 respecting Continuous Disclosure Obligations (chapter V-1.1, r. 24).

(3) The provisions of the Regulation, as amended by this Regulation, do not apply to an issuer until the issuer's effective date.

(4) Until the issuer's effective date, an issuer must comply with the Regulation as it read on (*indicate here the date preceding the date of coming into force of this Regulation*).

(5) If, after (*indicate here the date preceding the date of coming into force of this Regulation*) and before the issuer is required to include in a prospectus an MD&A for its first

financial year ending on or after (*indicate here the date of coming into force of this Regulation*), an issuer includes in a prospectus an MD&A prepared under Regulation 51-102 respecting Continuous Disclosure Obligations, and the prospectus includes no other MD&A for prior interim periods or prior financial years that is prepared under Part 2 of Form 51-102F1,

(a) the MD&A must be prepared under Part 2 of Form 51-102F1, and

(b) an MD&A for interim periods and financial-year ends subsequent to the MD&A must be prepared under Part 2 of Form 51-102F2, or Part 2 of Form 51-102F1, as applicable.

5. Effective date

This Regulation comes into force on (*indicate here the date of coming into force of this Regulation*).