

APPENDIX 4A

DUE DILIGENCE REPORT

1. Requirement for Due Diligence Report

1.1 Undertaking with final Short Form

In accordance with *Policy 4.6 - Public Offering by Short Form Offering Document*, the Exchange requires an Agent to file with the final Short Form an undertaking addressed to the Exchange to file the certificate and undertaking referred to in section 1.3 by the earlier of the offering date or 10 days after the date of the final Short Form.

1.2 Notarization of Due Diligence Report

The Due Diligence Report must be notarized as at the date no earlier than the date of the certificate and undertaking referred to in section 1.3.

1.3 Filing of certificate and undertaking

Within the time period specified in section 1.1, the Agent must file a certificate and undertaking addressed to the Exchange. The certificate and undertaking must state that:

- (a) the Agent has prepared and executed the Due Diligence Report;
- (b) the Due Diligence Report has been notarized; and
- (c) the Agent undertakes to file the notarized copy of the Due Diligence Report when requested by the Exchange.

1.4 Retention of Due Diligence Report

The Agent must retain the notarized copy of the Due Diligence Report and all supporting documentation for a period of six years after the distribution contemplated by the Short Form.

1.5 Exchange's request for Due Diligence Report

The Exchange may require the Agent to produce the notarized copy of the Due Diligence Report in circumstances it deems appropriate.

2. Content of Due Diligence Report

2.1 Due Diligence procedures

The Due Diligence Report must reflect the due diligence process undertaken by the Agent up to the date of the report. At a minimum, the Due Diligence Report must identify the individual(s) who participated in the due diligence process and describe the procedures performed to complete the process.

2.2 Consideration of technical and specialist’s reports

If a technical report or specialist’s report is obtained, the Due Diligence Report must state that the Agent has fully considered the findings of the consultant and, where applicable, the specialist contained in their report(s).

2.3 Reasons for distribution

The Due Diligence Report must include a brief description of the reasons why the Agent considers that it is appropriate to proceed with the distribution.

2.4 Signature of Due Diligence Report

The Due Diligence Report must be signed by a director of the Agent.
