

POLICY 6.3

TRANSITIONAL PROVISIONS FOR WSE ISSUERS AND PROSPECTIVE WSE ISSUERS

Scope of Policy

Pursuant to an agreement entered into between the Exchange and the Winnipeg Stock Exchange (the "WSE") effective November 24, 2000, the WSE will cease operations and the Exchange will commence operations as a stock exchange in Manitoba. This Policy applies to those companies that were either listed on the WSE and in good standing, as determined by the WSE, as at November 3, 2000 ("WSE Issuers") or companies that submitted a complete application to list on the WSE by November 24, 2000 ("Prospective WSE Issuers") and were invited to list on the Exchange under a modified listing process applicable to certain WSE Issuers and Prospective WSE Issuers (the "Eligible Company" or "Eligible Companies").

The main headings in this Policy are:

1. General
2. Eligibility
3. Listing Requirements
4. Corporate Finance Policies
5. Maintenance Requirements
6. Sponsorship and Escrow Requirements
7. Reporting Issuer Status
8. Trading System
9. Fees

1. General

- 1.1 Where a matter is not specifically dealt with in this Policy, Issuers must comply with Exchange policies relating to Tier 1 or Tier 2 Issuers.

2. Eligibility

2.1

- (a) Eligible Companies may apply to list on the Exchange by submitting the following listing documentation:
- (i) an executed Listing Agreement (Form 2D);

- (ii) executed Personal Information Forms (Form 2A) for each of the directors, senior officers, Control Persons, Insiders, and parties conducting Investor Relations Activities on behalf of the Eligible Company; and
- (iii) if the Eligible Company is a WSE Issuer and is not a reporting issuer in either of Alberta or British Columbia, an executed WSE Certificate and Acknowledgement in the form attached as Appendix "A"

The materials identified in (i), (ii) and (iii) above are the Eligible Company's "Complete CDNX Application".

- (b) Eligible Companies that are undertaking a Reverse Take-Over but have not made a complete application to the WSE with respect to the Reverse Take-Over by November 3, 2000 will no longer be considered to be Eligible Companies nor entitled to rely on this Policy. As a condition of listing on the Exchange, such Companies will be required to comply in full with all other Exchange Requirements including those relating to Reverse Take-Overs, sponsorship, MLR, escrow and corporate governance.
- (c) WSE Issuers that comply with section 3.3 of this Policy by November 3, 2000 will be listed and will commence trading on the Exchange on November 27, 2000.
- (d) WSE Issuers that do not comply with section 3.3 of this Policy by November 3, 2000, will not be listed or traded on the Exchange on November 27, 2000 and will no longer be considered to be Eligible Companies nor entitled to rely on this Policy. Such Companies will be required to submit an Application for Listing for Tier 1 or Tier 2 in accordance with all other Exchange Requirements.
- (e) Prospective WSE Issuers will be listed and posted for trading on the Exchange upon complying with the modified listing process described in section 3.4 of this Policy.
- (f) Prospective WSE Issuers that have not submitted a complete application to the WSE and a Complete CDNX Application by November 24, 2000, will not be considered to be Eligible Companies nor entitled to rely on this Policy and will not be permitted to continue to pursue a listing on the Exchange on the basis of the WSE listing requirements in existence on November 24, 2000. In such cases, the Prospective WSE Issuer will be required to submit an Application for Listing for Tier 1 or Tier 2 in accordance with all other Exchange Requirements.

3. Listing Requirements

3.1 Suitability Review

Once a Complete CDNX Application from an Eligible Company has been received by the Exchange, the Exchange will review the directors, senior officers, control persons, Insiders and parties conducting Investor Relations Activities on behalf of the Eligible Company to assess their suitability. Where the Exchange has concerns regarding the suitability of such parties, it will notify the applicable Eligible Company of its concerns. The Exchange will require the resignation of any directors, senior officers and parties conducting Investor Relations Activities on behalf of the Eligible Company who are determined to be unsuitable prior to listing on the Exchange and may decline the application for listing on the Exchange or impose such terms and conditions as the Exchange, in its sole discretion, may require.

3.2 Tier Designation

Eligible Companies that meet Tier 1 MLR, as assessed by the Exchange, will be listed on Tier 1. Eligible Companies that meet Tier 2 TMR, as assessed by the Exchange, will be listed on Tier 2.

3.3 WSE Issuers

Those WSE Issuers that have:

- (i) filed their Complete CDNX Application by November 3, 2000; and
- (ii) not been notified by the Exchange of any concerns relating to the directors, senior officers, control persons, Insiders and parties conducting Investor Relations Activities on behalf of the WSE Issuer

will be listed on Tier 1 or Tier 2, as applicable, effective November 27, 2000.

3.4 Prospective WSE Issuers

General

- (a) Prospective WSE Issuers submitting an application for listing either in connection with WSE's KeyStone Company ("KSC") program ("KSC Program") or other listing application must submit such application to the WSE and their Complete CDNX Application to the Exchange by November 24, 2000 and comply with section 3.4 of this Policy.

Non KSC Companies

- (b) A Prospective WSE Issuer submitting an application for listing on the WSE, other than in connection with the KSC program, must:
 - (i) submit a complete application to the WSE by November 24, 2000;
 - (ii) submit a Complete CDNX Application to the Exchange by November 24, 2000;
 - (iii) obtain by January 23, 2001 conditional acceptance for listing pursuant to WSE listing requirements in effect on November 24, 2000;
 - (iv) close, if applicable, its initial public offering by March 24, 2001; and
 - (v) Subsequently fulfill the conditions of listing.

Initial Listings of KSC Companies

- (c) In order to be listed on the Exchange, a Prospective WSE Issuer submitting an application for listing in connection with WSE's KSC Program must:
 - (i) submit its complete KSC application to the WSE by November 24, 2000;
 - (ii) submit a Complete CDNX Application to the Exchange by November 24, 2000;
 - (iii) obtain by January 23, 2001 conditional acceptance for listing pursuant to WSE listing requirements in effect on November 24, 2000;
 - (iv) obtain a final receipt from the Manitoba Securities Commission ("MSC") for a KSC prospectus by January 23, 2001; and
 - (v) subsequently fulfill the conditions of listing.
- (d) Any Prospective WSE Issuer that submits by November 24, 2000 both its complete KSC application to the WSE and a Complete CDNX Application to the Exchange, and does not obtain a final receipt from the MSC for its KSC prospectus by January 23, 2001, will only be permitted to list on the Exchange if it files an amended prospectus under the CPC Program and complies in all respects with the CPC Program. In such case, the Prospective WSE Issuer will be subject to Exchange policies and procedures and will be listed on the Exchange only after issuance of a receipt by the MSC for the amended CPC prospectus filed under the CPC Program. Among other things, this will mean that such Prospective WSE Issuers will be required to obtain sponsorship from an Exchange member, comply with Exchange MLR and corporate governance policies and securities of the Prospective WSE Issuer will be subject to such escrow requirements as prescribed by the Exchange.

Major Transactions

- (e) Any KSC that wishes to conduct its Major Transaction (as defined under the KSC Program) in accordance with KSC rules must make a complete application in regard to the Major Transaction by January 23, 2001 and must complete the Major Transaction by March 24, 2001.
- (f) Any KSC that does not complete its proposed Major Transaction by March 24, 2001, will be required to conduct its Major Transaction as a Qualifying Transaction (as defined under the CPC Program) within 18 months of the date the KSC was initially listed.
- (g) Any KSC that has not made a complete application in connection with its proposed Major Transaction by January 23, 2001 will be required to conduct a Qualifying Transaction.

4. Corporate Finance Policies

4.1 Applications Prior to Listing on the Exchange

- (a) Eligible Companies that have filed or made application to the WSE prior to listing on the Exchange, in respect of financing and transactional activities such as private placements, options, acquisitions and changes of business, will be required to comply with, and complete, the financing and transactional activities in accordance with WSE policies and procedures. Eligible Companies will be required to make all such filings (excluding the Complete CDNX Application) with the WSE or the Winnipeg office of the Exchange, as applicable.
- (b) Eligible Companies that are undertaking a Reverse Take-Over, and that have made a complete application to the WSE with respect to the Reverse Take-Over by November 3, 2000, can complete the Reverse Take Over in accordance with WSE policies and procedures, and will be required to make all filings relating to the Reverse Take Over with the WSE or the Winnipeg office of the Exchange, as applicable.

4.2 Applications After Listing On the Exchange

- (a) After listing on the Exchange, Eligible Companies will be required to comply with all Exchange Requirements applicable to Exchange listed issuers (including TMR) and may choose a filing office in accordance with Exchange Policies.
- (b) Eligible Companies that are undertaking a Reverse Take-Over after November 3, 2000 will be required to make all filings in connection with the Reverse Take-Over with the Calgary office of the Exchange.

5. Maintenance Requirements

- 5.1** Any Eligible Company that does not meet Tier 2 TMR will be listed on Tier 2 and immediately designated as "Inactive". Eligible Companies designated Inactive will be given 18 months to continue to trade on Tier 2 and to attempt to attain Tier 2 TMR. In the event that an Eligible Company designated as Inactive fails to meet Tier 2 TMR within the 18 month period, it will be suspended and then delisted.

6. Sponsorship and Escrow Requirements

- 6.1** Eligible Companies listing on the Exchange are not required to retain a Sponsor nor are they required to enter into an escrow arrangement in accordance with Policies 2.2 *Sponsorship and Sponsorship Requirements* and 5.4 *Escrow and Vendor Consideration* as a condition of an Exchange listing.

7. Reporting Issuer Status

- 7.1** Eligible Companies that list on the Exchange will automatically become reporting issuers in each of Alberta and British Columbia and will automatically become exchange issuers in British Columbia. Subject to any transitional relief provided by the ASC and the BCSC, those Eligible Companies will be required to comply in full with the requirements of Alberta and British Columbia securities law relating to reporting issuers and exchange issuers. Eligible Companies that obtain a listing on the Exchange will not automatically become reporting issuers in Ontario. Effective June 30, 2001, Eligible Companies with a Significant Connection to Ontario must make an application to become a reporting issuer in Ontario. See section 19 of Policy 3.1 - *Directors, Officers and Corporate Governance*.

8. Trading System

- 8.1** All Eligible Companies listed on the Exchange will trade on TradeCDNX, the Exchange's fully electronic auction trading system and be subject to the Exchange's rules applicable to trading as prescribed from time to time.

9. Fees

9.1 Listing and Sustaining Fees

- (a) Eligible Companies will not be required to pay Initial Listing fees.
- (b) All former Eligible Companies listed on the Exchange will become subject to the standard Exchange annual sustaining fees commencing January 1, 2001.

9.2 Transaction and Filing Fees

Eligible Companies listed on the Exchange will be subject to Exchange Requirements in accordance with the transitional requirements set out in section 4.1 and accordingly, will be required to pay such fees as are applicable to all Issuers in connection with Exchange filings from the time the Eligible Companies are listed on the Exchange. Fees are required to be paid by Issuers at the time of the filing of an application for review by Exchange staff. See Policy 1.3 - *Schedule of Fees*.

9.3 SEDAR Filing Fees

Eligible Companies listed on the Exchange will also be subject to applicable SEDAR filing fees associated with multi-jurisdictional filings.
