

ALTERNATIVE MONTHLY REPORT

FILED BY AN ELIGIBLE INSTITUTIONAL INVESTOR UNDER PART 4 OF UNDER NATIONAL INSTRUMENT 62-103

1. **Name and address of the eligible institutional investor:**

McLean Budden Limited (“**McLean Budden**”)
145 King Street West
25th Floor
Toronto, ON
M5H 1J8

2. **Net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor’s security holding percentage in the class of securities, since the last report was filed by the eligible institutional investor under Part 4 or the early warning requirements:**

On December 9, 2011, McLean Budden filed an early warning report which disclosed that on April 14, 2011, McLean Budden acquired a total of 2,888,889 units (the “**Units**”) in the capital of Thelon Capital Ltd. (“**Thelon**”) at a price of \$0.45 per Unit for a total cash subscription price of \$1,300,000. Each Unit consisted of one previously unissued non-flow through common share (the “**Common Shares**”) of Thelon and one common share purchase warrant (the “**Warrants**”). As a result, McLean Budden became the beneficial owner of 2,888,889 Common Shares and 2,888,889 Warrants.

On August 9, 2012, McLean Budden disposed of a total of 1,999,889 Common Shares and 155,000 Warrants. As a result, McLean Budden had disposed of all of its holdings of Common Shares and became the beneficial owner 2,733,889 Warrants, representing 0% and 6% of the outstanding Common Shares and Warrants, respectively.

3. **Designation and number or principal amount of securities and the eligible institutional investor’s security holding percentage in the class of securities at the end of the month for which the report is made:**

As at August 14, 2012, McLean Budden held 0 Common Shares and 2,733,889 Warrants in the capital of Thelon (representing 6% of the issued and outstanding Common Shares on a fully diluted basis).

4. **Designation and number or principal amount of securities and the percentage of outstanding securities referred to in paragraph 3 over which:**

- (i) **the eligible institutional investor, either alone or together with any joint actors, has ownership and control:**

See Item #3.

- (ii) **the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by other entities other than the eligible institutional investor or any joint actor:**

Not applicable.

- (iii) **the eligible institutional investor, either alone or together with any joint actors has exclusive or shared control but does not have ownership:**

Not applicable.

5. **The purpose of the eligible institutional investor and any joint actors in acquiring or disposing of ownership of, or control over, the securities, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The Units were acquired for, and are being held for, investment purposes only and not for the purpose of exercising control or direction over Thelon. The acquisitions were made in the ordinary course of McLean Budden's business or investment activities, as the case may be. McLean Budden has no current plan or proposal which relates to, or would result in, acquiring additional ownership or control over the Units of Thelon, other than in the ordinary course of business of McLean Budden. McLean Budden may or may not purchase or sell Units of Thelon in the future on the open market or in private transactions, depending on market conditions and other factors material to McLean Budden's investment decisions.

6. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the eligible institutional investor, or any joint actor, and the issuer of the securities or any other entity in connection with any transaction or occurrence resulting in the change in ownership or control, giving rise to the report, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

Not applicable.

7. **The names of any joint actors in connection with the disclosure required for the purposes of this report:**

Not applicable.

8. **If applicable, a description of any change in any material fact set out in a previous report by the eligible institutional investor under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the Reporting Issuer's securities:**

See Item #3.

9. **A statement that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer:**

McLean Budden is eligible to file reports in respect of the Issuer under Part 4.

[Signature Page Follows]

DATED at Toronto, Ontario, this 24th day of September, 2012.

McLEAN BUDDEN LIMITED

By: "Barbara Lockhart"

Name: Barbara S. Lockhart

Title: Senior VP, Finance &
Administration

By: "Scott Mahaffy"

Name: Scott W. Mahaffy

Title: Vice President, Legal