

**REPORT PURSUANT TO  
SECTION 4.3 OF NATIONAL INSTRUMENT 62-103**

**Re: WEDGE ENERGY INTERNATIONAL INC. (the “Issuer”)**

**(a) Statement that the Investor is ceasing to file report under Part 4 of National Instrument 62-103 for the Issuer:**

The Investor (defined below) reports that it is ceasing to file reports under Part 4 of the National Instrument 62-103 with respect to the Issuer.

**(b) Reasons for ceasing to file reports under Part 4:**

The Investor is ceasing to file reports under Part 4 as a result of Undur Tolgoi Minerals, Inc. entering into a non-binding letter of intent (“**LOI**”) dated June 16, 2011, with respect to a proposed business combination with the Issuer.

If the proposed business combination and equity financing contemplated under the terms of the LOI are carried through, joint actors of FGMF would acquire effective control over the Issuer.

**(c) The name and address of the Investor:**

**Firebird Global Master Fund, Ltd.** (the “**Investor**”)  
c/o Trident Trust Company (Cayman) Limited  
1 Capital Place  
P.O. Box 847  
Grand Cayman, Cayman Islands

**(d) The designation and number or principal amount of securities and the Investor’s securityholding percentage in the class of securities immediately after the occurrence giving rise to obligation to file the report:**

The Investor reports that the aggregate number of securities of the Issuer held by the Investor and one of its joint actors, namely Firebird Global Master Fund II, Ltd. (“**FGMF2**”) is (i) 9,981,748 common shares, (ii) a CDN\$197,000 principal amount note convertible into an aggregate of 19,700,000 common shares of the Issuer at a conversion price of \$0.01 per common share (the “**\$197,000 Note**”) and a CDN\$253,000 principal amount note convertible into an aggregate of 25,300,000 common shares of the Issuer at a conversion price of \$0.01 per common share (the “**\$253,000 Note**” and collectively with the \$197,000 Note, the “**January Notes**”) and (iii) a CDN\$220,000 principal amount note convertible into an aggregate of 4,400,000 common shares of the Issuer at a conversion price of \$0.05 per common share (the “**\$220,000 Note**”) and a CDN\$180,000 principal amount note convertible into an aggregate of 3,600,000 common shares of the Issuer at a conversion price of \$0.05 per common share (the “**\$180,000 Note**” and

collectively with the \$220,000 Note, the “**July Notes**”). Out of the 9,981,748 common shares, 5,647,848 common shares are held by the Investor and 4,333,900 common shares are held by FGMF2. The Investor holds the \$197,000 Note and \$220,000 Note, whereas FGMF2 holds the \$253,000 Note and \$180,000 Note. The 9,981,748 common shares held by the Investor and FGMF2 represent approximately 25.43% of the outstanding common shares of the Issuer.

In addition, assuming the conversion by the Investor and FGMF2 of the January Notes and July Notes, the Investor’s and FGMF2’s total securityholding in the share capital of the Issuer would be 62,981,748 common shares, representing approximately 68.28% of the outstanding common shares of the Issuer, including the common shares deemed to be acquired pursuant to the conversion of such notes.

No other joint actor of FGMF currently holds any securities of the Issuer.

**(e) The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph (d):**

(i) over which the Investor, either alone or together with any joint actors, has ownership and control:

See item (d) above

(ii) over which the Investor, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Investor or any joint actor:

N/A

(iii) over which the Investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:

N/A

**(f) The purpose of the Investor and any joint actors in effecting the occurrence that gave rise to the report, including any future intention to acquire ownership of, or control over, additional securities of the Issuer:**

N/A

- (g) **The general nature and material terms of any agreement, other than lending arrangements, with respect to securities of the Issuer entered into by the Investor, or any joint actor, and the Issuer or any other entity in connection with the occurrence giving rise to the report, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

Please refer to the Issuer's June 20, 2011 press release for details of the terms of the LOI.

- (h) **The names of any joint actors:**

Firebird Global Master Fund II, Ltd.  
Undur Tolgoi Minerals Inc.  
Firebird Mongolia Fund, Ltd.  
SMDD Capital Ltd.

- (i) **In the case of an occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the Investor:**

N/A

- (j) **Description of any change in any material fact set out by the Investor in the previous report in respect of the Issuer's securities:**

The maturity date on the July Notes has been extended from May 30, 2011 to November 30, 2011.

With this extension, the interest rate will be increased by 0.5% from 12.50% to 13.00% per annum on the balance of the term of the July Notes. The interest will be calculated and payable on the new maturity date in accordance with the provisions of the original Notes.

- (k) **Declaration**

The filing of this report is not an admission that an entity named in this report owns or controls any described securities or is a joint actor with anyone else.

**DATED** this 7<sup>th</sup> day of July, 2011.

**FIREBIRD GLOBAL MASTER FUND, LTD.**

Per: (s) James Passin  
Name: James Passin  
Title: Director