

**EARLY WARNING REPORT PURSUANT TO  
NATIONAL INSTRUMENT 62-103**

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

**1. The name and address of the offeror:**

**Firebird Global Master Fund, Ltd. (“FGMF”)**

c/o

Trident Trust Company

1 Capital Place

P.O. Box 847

Grand Cayman

Cayman Islands

**2. The designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:**

N/A

**3. The designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release:**

The aggregate number of securities of the Issuer held by FGMF and its joint actor, 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 FGMF and 4,333,900 common shares are held by FGMF2. FGMF 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 FGMF and FGMF2 represent approximately 25.43% of the outstanding common shares of the Issuer.

In addition, assuming the conversion by FGMF and FGMF2 of the January Notes and July Notes, the FGMF'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.

**4. The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to above over which:**

(a) *the offeror, either alone or together with any joint actors, has ownership and control:*

See item 3 above.

(b) *the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:*

N/A

(c) *the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:*

N/A

**5. The name of the market in which the transaction or occurrence that gave rise to the news release took place:**

N/A

**6. The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release:**

N/A

**7. The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

N/A

- 8. The general nature and material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding disposition or voting of any of the securities:**

N/A

- 9. The names of any joint actors in connection with the disclosure required by Appendix E of National Instrument 62-103:**

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

- 10. In the case of a transaction or 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, in Canadian dollars, of the consideration paid by the offeror:**

N/A

- 11. If applicable, a description of any change in any material fact set out in a previous report by the offeror under the early warning requirements:**

The maturity date on the January Notes has been extended from July 26, 2011 to December 31, 2011.

- 12. If applicable, a description of the exemption from securities legislation being relied on by the offeror and the fact supporting that reliance.**

N/A

- 13. 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 26<sup>th</sup> day of July, 2011.

**FIREBIRD GLOBAL MASTER FUND, LTD.**

Per: (s) James Passin

Name: James Passin

Title: Director