Petro Viking Energy Inc.

(A Capital Pool Company)

Financial Statements

Period from incorporation on January 13, 2010 to December 31, 2010

Petro Viking Energy Inc.
(A Capital Pool Company)

Financial Statements

December 31, 2010

CHARTERED ACCOUNTANTS

MacKay LLP

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Independent Auditors' Report

To the Shareholders of Petro Viking Energy Inc.

We have audited the accompanying financial statements of Petro Viking Energy Inc., which comprise the balance sheet as at December 31, 2010, and the statement of operations, comprehensive loss, deficit and cash flows for the period from incorporation on January 13, 2010 to December 31, 2010, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of those financial statements in accordance with Canadian Generally Accepted Accounting Principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of Petro Viking Energy Inc. as at December 31, 2010, and the results of its operations and its cash flows for the period from incorporation on January 13, 2010 to December 31, 2010 in accordance with Canadian Generally Accepted Accounting Principles.

Calgary, Canada
April 27, 2011

(Signed) *"MacKay LLP"*

Chartered Accountants

Petro Viking Energy Inc.
(A Capital Pool Company)

Balance Sheet

As at December 31,		**2010**
Assets		
Current		
Cash and cash equivalents	**$**	**999,248**
Short-term investments		**56,051**
Other receivables		**11,376**
		1,066,675
Prepaid expenses (note 10)		**148,570**
	$	**1,215,245**
Liabilities		
Accounts payable and accrued liabilities (note 4)	**$**	**115,322**
Shareholders' Equity		
Share capital (note 5)		**1,198,963**
Contributed surplus (note 6)		**169,000**
Deficit		**(268,040)**
		1,099,923
	$	**1,215,245**

Nature and continuance of operations (note 2)
Subsequent events (note 10)

Approved by the Board:

(signed) "*David Heighington*", Director

(signed) "*John Styles*", Director

Petro Viking Energy Inc.
(A Capital Pool Company)

Statement of Operations, Comprehensive Loss and Deficit

	For the period from incorporation on January 13, 2010 to December 31, 2010
Interest revenue	**$ 7,608**
Expenses	
Stock-based compensation	**123,000**
Bank charges	**383**
Business investigation costs (note 4)	**92,091**
Transfer agent fees	**5,345**
Listing and filing fees	**24,973**
Professional fees	**29,856**
	275,648
Net and comprehensive loss for the period	**(268,040)**
Deficit, beginning of period	**-**
Deficit, end of period	**$ (268,040)**
Net loss per share – basic & diluted	**(0.04)**
Weighted average number of shares outstanding	**7,258,000**

Petro Viking Energy Inc.
(A Capital Pool Company)

Statement of Cash Flows

		For the period from incorporation on January 13, 2010 to December 31, 2010
Cash provided by (used in):		
Operating activities		
Net loss	$	(268,040)
Item not affecting cash		
Stock-based compensation		123,000
		(145,040)
Change in non-cash working capital item		
Other receivables		(11,376)
Accounts payable and accrued liabilities		115,322
		(41,094)
Investing activities		
Prepaid expenses		(148,570)
Purchase of short-term investments		(56,051)
		(204,621)
Financing activities		
Issuance of share capital		1,449,000
Share issue costs		(204,037)
		1,244,963
Increase in cash for the period		999,248
Cash and cash equivalents, beginning of period		-
Cash and cash equivalents, end of period	$	999,248
Supplementary information		
Agent options issued for share issue costs	$	46,000
Interest received		7,608

1. Incorporation

Petro Viking Energy Inc. (the "Company") was incorporated under the Business Corporation Act (Alberta) on January 13, 2010 and is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The Company completed its initial public offering on June 3, 2010 and its shares were listed for trading on the Exchange on June 11, 2010.

2. Nature and continuance of operations

The Company's principal business is to identify and evaluate opportunities for an acquisition of an asset, assets or a business that will meet the definition of a "Qualifying Transaction" ("QT") as defined in Policy 2.4 of the Exchange.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of an interest in properties, assets or businesses which qualifies as a QT. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval.

Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations may be impaired and accordingly, the Company may be unable to realize on the carrying value of its net assets.

A comparative balance sheet, statement of operations and statement of cash flows for the year ended December 31, 2009 has not been provided as the Company was incorporated January 13, 2010. The Company commenced active operations on June 3, 2010 upon the completion of its initial public offering.

3. Summary of significant accounting policies

Basis of presentation

These financial statements are prepared in accordance with GAAP, which include the following accounting principles:

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates include the determination of fair value of stock-based compensations. Actual results could differ from these estimates.

3. Summary of significant accounting policies

(a) Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, unrestricted cash held in lawyer's trust accounts for general purposes and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less.

(b) Short-term investments

Short-term investments include highly liquid investments with an original term of one year or less, but greater than three months.

(c) Financing costs

Costs directly attributable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as prepaid financing costs. These costs will be deferred until the issuance of the shares to which the costs related, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

(d) Stock-based compensation

The Company intends to grant options to purchase common shares under the terms described in Note 5. When options to purchase shares are granted to employees or directors, the fair value of the options on the date of the grant is recognized as a compensation expense, with a corresponding increase in contributed surplus, over the period during which the related options vest. When options to purchase shares are granted to non-employees in return for goods or services, the fair value of the options granted is recognized as an expense, with a corresponding increase in contributed surplus, in the period in which the goods or services are received or are expected to be received. The consideration received on the exercise of share options is credited to share capital. When options are exercised, previously recorded compensation is transferred from contributed surplus to share capital to fully reflect the consideration for the shares issued.

(e) Income taxes

The Company accounts for income taxes using the asset and liability method. Under this method, future income tax assets and liabilities are determined based on the differences between the financial statement carrying values and their respective income tax basis and loss carry forwards. Future income tax assets and liabilities are measured using tax rates expected to be in effect when the temporary differences are likely to reverse. The effect on future income tax assets and liabilities of a change in tax rates is included in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets recognized is limited to the amount of the benefit that is more likely than not to be realized.

(f) Business investigation costs

All costs incurred to identify and evaluate assets or business acquisitions are expensed as incurred.

3. Summary of significant accounting policies (continued)

(g) Financial instruments – recognition and measurement

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity or loans and receivables. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions, and loans and receivables which are accounted for at amortized cost.

Subsequent to initial recognition, financial assets and liabilities classified as held-for-trading are to be measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are to be measured at amortization cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are to be measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income.

Held-for-trading financial assets are financial assets that are purchased and incurred with the intention of generating profits in the near term. Cash and short-term investments are classified as held-for-trading.

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale, or financial assets that are not classified as loans and receivable or as held-to maturity assets.

Held-to maturity financial assets are financial assets that have a fixed maturity date and for which the Company has the intention and ability to hold to maturity.

Transaction costs related to the acquisition of financial assets and liabilities that are classified as held for trading are expensed in net income as incurred.

The Company provides information for users of the Company's financial statements to understand the significance of financial instruments to the Company's financial position, performance and cash flows.

The Company provides disclosure of its objectives, policies and processes for managing capital. Disclosures include what is defined as capital, how it is managed, and what externally imposed restrictions on capital are present.

In addition, the Company provides enhanced disclosures relating to the fair value of financial instruments and the liquidity risk associated with financial instruments which now require that all financial instruments measured at fair value be categorized into one of three hierarchy levels. The amendments are consistent with recent amendments to financial instruments disclosure under International Financial Reporting Standards and the prospective adoption had no impact on the financial statements.

(h) Revenue recognition

Interest income is recorded as earned.

3. Summary of significant accounting policies (continued)

(i) Future accounting pronouncements

Convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board ("AcSB") has confirmed that the use of International Financial Reporting Standards ("IFRS") will be required in 2011 for publicly accountable profit-oriented enterprises. IFRS will replace Canada's current GAAP for those enterprises. These include listed companies and other profit-oriented enterprises that are responsible to large or diverse groups of stakeholders. The official changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Company's will be required to provide comparative IFRS information for the previous fiscal year. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements", and 1600 "Non-Controlling Interest", which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections are applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning on or after January 1, 2011. Early adoption is permitted, although these sections must be adopted concurrently. The Company is assessing the potential impact from the adoption of these standards.

4. Related party transactions

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount which is the amount of consideration established and approved by the related parties. Related party transactions are disclosed below, unless they have been disclosed elsewhere in the financial statements.

During the period ended December 31, 2010, the Company incurred $92,091 in legal fees to a law firm of which one director of the Company is council. Fees incurred related to business investigation costs incurred in respect of a potential qualifying transaction, have been included as business investigation costs with $70,605 included in accounts payable and accrued liabilities at year end.

During the period ended December 31, 2010, the Company incurred $42,000 in legal fees to a law firm of which one director of the Company is council. Fees incurred related to professional services incurred in respect of the prospectus for the initial public offering have been included as share issue costs and have been fully paid.

5. Share capital

Authorized

Unlimited number of common shares
Unlimited number of preferred shares

Issued and outstanding common shares:

		2010
	Number	**Amount**
Balance, beginning of period	**-**	**$ -**
Issued to directors and officers	**1,300,000**	**130,000**
Issued on private placement	**3,190,000**	**319,000**
Issued on initial public offering	**5,000,000**	**1,000,000**
Share issue costs	**-**	**(250,037)**
Balance, end of period	**9,490,000**	**$ 1,198,963**

The Company issued 4,490,000 common shares at a price of $0.10 per share for total proceeds of $449,000 received in cash. In accordance with the requirements of the Exchange, all of these common shares will be held in escrow. Under the escrow agreement, 10% of the escrowed common shares will be released from escrow on the acceptance by the Exchange of a QT made by the Company. An additional 15% of the escrowed common shares will be released every 6 months following the acceptance of the QT, unless otherwise permitted by the Exchange.

Upon closing of the Company's initial public offering (IPO) on June 3, 2010, the Company issued 5,000,000 common shares at a price of $0.20 per share for total consideration of $1,000,000, received in cash. The Company paid share issuance costs of $204,037 in cash, which have been applied against share capital. The Company granted to the agent 500,000 agent's compensation options at an exercise price of $0.20 per option for a period of two years. The estimated fair value of $46,000 as calculated using the Black-Scholes pricing model has been charged to share issuance costs with a related credit to contributed surplus.

Escrow

The Company has 4,490,000 common shares subject to an escrow agreement whereby 10% of the shares will be released upon completion and approval of the Company's qualifying transaction. An additional 15% of the escrowed common shares will be released on each six month anniversary thereafter unless otherwise permitted by the Exchange.

Common shares issued upon the exercise of options held by officers and directors are subject to the same escrow conditions. Common shares issued upon the exercise of the Agent's options are restricted such that only 50% of the issued shares may be traded prior to the Company completing a qualifying transaction.

Stock option plan

The Company has adopted an incentive stock option plan which provides that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable up to ten years from the date of grant. The fair value of each option grant will be estimated on the date of grant using the Black-Scholes option pricing model.

5. Share capital (continued)

As part of the close of the initial public offering, the Company granted 949,000 options at $0.20 per share to the directors and officers of the Company exercisable for a period of ten years. The fair value is recognized as stock-based compensation expense over the related vesting period of the options. The estimated fair value of these options as calculated using the Black-Scholes pricing model is $123,000 and has been charged to operations for the period ended December 31, 2010.

The following weighted average assumptions were used for valuing the stock options granted during the period:

	Directors and Officers	Agent
Risk-free interest rate	2.36%	1.20%
Expected volatility	90%	85%
Dividend yield	0%	0%
Expected life of each option granted	4 years	2 years

6. Contributed surplus

The following summarized information about the issued and outstanding stock options as well as contributed surplus as at December 31, 2010 and for the period then ended:

				2010
		Exercise Price	**Number of options**	**Fair value recorded**
Balance, beginning of period			**-**	**$ -**
Issued to directors and officers	**$**	**0.20**	**949,000**	**123,000**
Issued to agent	**$**	**0.20**	**500,000**	**46,000**
Balance, end of period			**1,449,000**	**$ 169,000**

As at December 31, 2010, the weighted average remaining contractual life for options which are fully exercisable to directors and officers is 9.49 years and to the agent is 1.46 years.

7. Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

In the management of capital, the Company includes shareholders' equity (excluding accumulated other comprehensive income (loss)), cash and cash equivalents and short-term investments in the definition of capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. Pursuant to Exchange policies, the maximum amount of cash the Company may spend for purposes other than identifying and evaluating assets or business projects is $210,000.

8. Financial instruments

As at December 31, 2010, the Company's financial instruments are cash and cash equivalents, short-term investments, other receivables, and accounts payable and accrued liabilities. The amounts reflected in the balance sheet are carrying amounts and approximate their fair values due to the short-term nature. The short-term interest bearing securities are recorded at cost plus accrued interest earned which approximates current market value. These financial instruments are classified as follows:

- Cash and cash equivalents and short-term investments – held for trading
- Other receivables – loans and receivables
- Accounts payable and accrued liabilities – other financial liability

The Company does not use derivative instruments or hedges to manage risks because the Company's exposure to interest rate, credit, currency and liquidity risk is small.

a) Fair value risk

The methods and assumptions used to develop fair value measurements for those financial instruments carried at fair value on the balance sheet have been prioritized into three levels of a fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities, level two includes inputs that are observable other than quoted prices included in level one and level three includes inputs that are not based on observable market data. The Company's cash and cash equivalents and short-term investments are recorded at fair value and is a level one fair value measurements.

The fair values of other receivables and accounts payable and accrued liabilities approximate there carrying values due to there short-term nature.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents are exposed to interest rate risk as the Company invests cash and cash equivalents at floating rates of interest in highly liquid instruments. Fluctuations in interest rates impact the value of cash and cash equivalents. Interest rates at year end range from 0.76% to 1.60% on the cash and cash equivalents and short term investments.

c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and short-term investments are exposed to credit risk, however the risk is deemed small because the counterparty is a highly rated bank.

d) Currency risk

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to currency risk is negligible because all of the Company's operations and transactions are in one country, being Canada, with all monetary assets in Canadian dollars.

8. Financial instruments (continued)

e) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities are all current and due within 90 days of the balance sheet date. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account cash and cash equivalents on hand.

9. Income taxes

(i) Income tax expense

The following is a reconciliation of the statutory combined federal and provincial income taxes to the effective incomes taxes for the year ended December 31, 2010.

		2010
Loss before income taxes	$	(268,040)
Statutory income tax rate		29.0%
Expected income tax (recovery)		(78,000)
Increase (decrease) in income taxes resulting from:		
Impact of change in effective tax rate		4,300
Stock-based compensation		35,700
Valuation allowance		38,000
Income tax (recovery)	$	-

(ii) Future income taxes

The temporary differences that give rise to future income tax assets and liabilities are presented below:

		2010
Future income tax assets		
Amounts related to tax loss carry-forwards	$	49,000
Share issuance costs		42,000
		91,000
Less: valuation allowance		(91,000)
	$	-

(iii) Loss carry-forwards

If not utilized, non-capital losses of approximately $186,000 will expire in the year 2030. The potential tax benefit relating to these losses has not been reflected in these financial statements.

10. Subsequent events

On February 28, 2011, the Company completed its “Qualifying Transaction” pursuant to which Deep Creek Oil & Gas Inc. (“Deep Creek”) and 1560368 Alberta Ltd., a wholly-owned subsidiary of the Company, amalgamated pursuant to the provisions of the *Business Corporations Act* (Alberta) (“the Transaction”). Deep Creek is a privately held company incorporated under the *Business Corporations Act* (British Columbia), which operates as an oil and gas exploration and development company with various working interests in producing properties in central Alberta and West central Saskatchewan. Prior to giving effect to customary post-closing adjustments, the Company issued 4,760,000 common shares to the shareholders of Deep Creek at a deemed price of $0.25 per share, representing an acquisition price of $1,190,000. Subject to Deep Creek satisfying customary post-closing adjustments relating to working capital and production, the Company may issue up to an additional 2,040,000 Common Shares at an issue price of $0.25 within 90 days of closing the Transaction.

Concurrent with the Transaction, the Company completed a brokered private placement for aggregate gross proceeds of $3,450,000, through the issuance of 11,500,000 Units at a purchase price of $0.30 per unit. Each Unit is comprised of one Common Share of the Company and one Common Share Purchase Warrant. Each Warrant entitles the holder to purchase one additional share at a purchase price of $0.50 per share for a period of 24 months following the closing, subject to an accelerated expiry date. If, on any 20 consecutive trading days occurring after four months and one day has elapsed following the closing date, the closing sales price of the Common Shares (or the closing bid, if no sales were reported on a trading day) as quoted on the Exchange is greater than $0.60 per Common Share, the Company may provide notice in writing to the holders of the Warrants by issuance of a press release that the expiry date of the Warrants will be accelerated to the 30th day after the date on which the Company issues such press release.

In connection with the offering, the Company paid Wolverton Securities Ltd. (the “Agent”) a cash commission equal to 8% of the gross proceeds and 8% in Agent's options entitling the Agent to acquire 920,000 Units at a price of $0.30 per Unit until February 28, 2013. Each Unit is comprised of one Share and one Warrant. Each Warrant entitles the Agent to purchase one additional Share at a purchase price of $0.50 per share for a period of 24 months following the closing. In addition, the Company has paid the Agent a corporate finance fee and related costs.

After giving effect to the Transaction and the Offering, but before giving effect to the issuance of common shares which may result from the post-closing adjustments, the Company will have 25,750,000 common shares outstanding.

Prior to year end, the Company has incurred $148,570 in transaction and financing costs associated with the acquisition of Deep Creek and the concurring brokered private placement. These costs have been included as prepaid expenses at year end and will be treated as transaction and share issue costs as the transaction and financing respectively were completed subsequent to year end.

Upon completion of the Transaction, the Company granted stock options to directors, officers and employees to purchase 1,626,000 shares of the company for a period of 5 years at an exercise price of $0.30 per share pursuant to the Company's stock option plan.

As part of proceeds from the completion of the Transaction, as discussed within the information circular for the Transaction, the Company paid out $200,000 in debentures outstanding from the acquisition of Deep Creek of which $100,000 was paid to a company controlled by the President and CEO of the Company.

10. Subsequent events (continued)

On April 6, 2011, the Company announced a brokered private placement consisting of up to 2,857,143 Units at a price of $0.35 per Unit and 2,500,000 Common Shares which will be designated as Flow-Through Shares for the purposes of the Income Tax Act at a price of $0.40 per Flow-Through Common Share, for aggregate gross proceeds of up to $2,000,000. Each Unit will consist of one Common Share in the capital of the Company and one Share Purchase Warrant, each whole Warrant entitling the holder thereof to purchase, for a period of 24 months from the date of issuance, subject to accelerated expiry as outlined below, one additional Common Share of the Company at a price of $0.55 per share. If, on any 20 consecutive trading days occurring after four months and one day has elapsed following the closing date, the closing sales price of the Common Shares (or the closing bid, if no sales were reported on a trading day) as quoted on the TSX-V is greater than $0.65 per Common Share, the Company may provide notice in writing to the holders of the Warrants by issuance of a press release that the expiry date of the Warrants will be accelerated to the 30th day after the date on which the Company issues such press release.

In connection with the Offering, the Company has engaged Wolverton Securities Ltd. ("Wolverton" or the "Agent") on a commercially reasonable basis. The Company has agreed to pay a marketing commission to Wolverton of 8% of the gross proceeds received from the Offering, payable in cash, Units or a combination of both at the Agent’s election. The Company will also issue compensation options (the "Agent's Options") entitling Wolverton to purchase that number of Units equal to 8% of the aggregate number of Units and Flow-Through Common Shares issued and sold by Wolverton pursuant to the Offering and exercisable at a price of $0.35 per Unit for a period of 24 months from the closing date of the Offering. In addition, the Company will pay Wolverton a corporate finance fee and all reasonable expenses incurred by Wolverton in connection with the Offering. Wolverton may form a selling group of securities dealers to assist in the sale of the Offering. Closing of the Offering is subject to customary conditions including TSX-V approval. All Units, FT Common Shares, and Agent's Options issued pursuant to the Offering will be subject to a hold period of four months and one day after closing of the Offering under applicable Canadian securities laws.