

# TELFERSCOT RESOURCES INC.

## Notice of Change of Auditors

Pursuant to National Instrument 51-102

TO: Jim M. Smith, Chartered Accountant Inc.  
MSCM LLP

AND TO: Ontario Securities Commission

April 23, 2012

Dear Sirs/Mesdames:

RE: Notice Regarding Change of Auditor Pursuant to National Instrument 51-102

Notice is hereby given, pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), of a change of auditor of Telferscot Resources Inc. (the “**Corporation**”).

1. Jim M. Smith Chartered Accountant Inc. (the "Former Auditor") tendered his resignation effective April 20, 2012. The resignation was a result of Mr. Smith being a sole practitioner and having his external engagement quality control review firm resign and not being able to find a suitable replacement to complete the audit of the Corporation as required by Canadian auditing standards and the Canadian Public Accountability Board.
2. The decision to accept the resignation of the Former Auditor was considered by the Audit Committee and recommended to the Board of Directors of the Corporation. The decision was thereafter considered and approved by the Corporation's Board of Directors.
3. The Audit Committee also recommended and the Board of Directors approved, subject to the applicable regulations, the appointment of MSCM LLP (the “**New Auditors**”), as auditors of the Corporation to provide audit services to the Corporation for the year ending December 31, 2011 and to hold office as auditors of the Corporation until the next annual meeting of shareholders of the Corporation.
4. There was no reservation contained in the Former Auditor's report on the financial statements of the Corporation for the period from incorporation to December 31, 2010 or for any period subsequent thereto for which an audit report was issued and preceding the effective date of the resignation of the Former Auditor.

5. In the opinion of the Audit Committee and the Board of Directors of the Corporation, there are no reportable events to declare as defined in subparagraph 4.11(1) of NI 51-102.

**TELFERSCOT RESOURCES INC.**

*“Stephen Coates”*

Per:

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Stephen Coates  
Chair of the Audit Committee