

## Renunciation of Expenses or Allocation of Assistance by a Corporation

Form RL-11.S must be completed by every development corporation that, having chosen the flow-through share system as an assistance mechanism, is required to renounce its resource expenses in favour of investors, to allocate assistance to investors, or to adjust previously renounced expenses. For more information, consult the *Guide to Filing the RL-11 Slip* (RL-11.G-V).

### 1 Information concerning the development corporation

01a	01b	01c	Identification number assigned to form CO-359.10
Québec enterprise number (NEQ)	Identification number	File	
[REDACTED]	[REDACTED]	IC 0001	A C C - - -
Name of development corporation			
[REDACTED]			
Address			Postal code
[REDACTED]			[REDACTED]
Location of exploration or development			Number of RL-11 slips submitted
[REDACTED]			05 [REDACTED]

### 2 Renunciation of expenses

		Y Y Y Y M M D D			
Effective date of the renunciation		[REDACTED]			
Expenses incurred, other than those previously renounced	11			<b>A</b>	<b>B</b>
Expenses deemed to have been incurred on the last day of the calendar year <sup>2</sup>	12		+	Canadian exploration expenses	Deemed Canadian exploration expenses
Add lines 11 and 12 in each column.					Canadian development expenses <sup>1</sup>
<b>Amount of renounced expenses =</b>	13				
Expenses incurred in Québec (portion of the amount on line 13 in columns A and B) for					
• exploration	14				N/A
• surface mining exploration or oil and gas exploration	15				N/A
• exploration in Northern Québec	16				N/A
Expenses deemed to have been incurred in Québec on the last day of the calendar year (portion of the amount on line 12 in columns A and B) for					
• exploration	17				N/A
• surface mining exploration or oil and gas exploration	18				N/A
• exploration in Northern Québec	19				N/A

### Penalty for late renunciation or late filing of form RL-11.S and RL-11 slips

Amount on line 13 in column A	20.1			
Amount on line 13 in column B	20.2	+		
Amount on line 13 in column C	20.3	+		
Add lines 20.1 to 20.3 ( <b>maximum: \$6,000,000</b> ).	20.4	=		
Multiply line 20.4 by 0.25%.	20.5	×		
Enter the amount from line 20.5 or \$100, <b>whichever is greater</b> .	20.6	=	<b>Penalty</b>	<b>0.25%</b>

■ A cheque or money order made payable to the Minister of Revenue of Québec is enclosed with the form (enter the corporation's identification number on the back of the cheque or money order).

1. Expenses included in column B must not be included in column C.  
2. Include Canadian renewable and conservation expenses in column A.

### 3 Allocation of assistance

Date on which entitlement to assistance became known to the corporation Y Y Y Y M M D D

Amounts of assistance that must be allocated to investors

Amounts of assistance for expenses incurred in Québec (portion of the amount on line 21 in columns D and E) for

- exploration
- surface mining exploration or oil and gas exploration
- exploration in Northern Québec

Amounts of assistance for		
D	E	F
Canadian exploration expenses	Deemed Canadian exploration expenses	Canadian development expenses
		N/A
		N/A
		N/A

21
22
23
24

### Penalty for late filing of form RL-11.S and RL-11 slips

Amount on line 21 in column D	25.1	0.25%
Amount on line 21 in column E	+ 25.2	
Amount on line 21 in column F	+ 25.3	
Add lines 25.1 to 25.3 (maximum: \$6,000,000).	= 25.4	
Multiply line 25.4 by 0.25%.	×	
Enter the amount from line 25.5 or \$100, whichever is greater.	= 25.5	<b>Penalty</b>
	25.6	

A cheque or money order made payable to the Minister of Revenue of Québec is enclosed with the form (enter the corporation's identification number on the back of the cheque or money order).

### 4 Adjustment of previously renounced expenses

Check the appropriate box.

- Reduction required by us. Enter a minus sign (–) before the amounts in columns A, B and C.
- Reduction made on the development corporation's own initiative. Enter a minus sign (–) before the amounts in columns A, B and C.
- Reclassification of expenses between exploration expenses (including deemed exploration expenses) and development expenses. Enter a minus sign (–) before the amounts of expenses reduced.

Year to which the renunciation applies (the year concerned) Y Y Y Y

Effective date of the renunciation Y Y Y Y M M D D

Expenses renounced by the corporation on the above-mentioned effective date, other than expenses that must be entered on line 32

Expenses deemed to have been incurred on the last day of the year concerned

Add lines 31 and 32 in each column.

**Total amount of adjustments to expenses incurred in Canada =**

Expenses incurred in Québec (portion of the amount on line 33 in columns A and B) for

- exploration
- surface mining exploration or oil and gas exploration
- exploration in Northern Québec

Expenses deemed to have been incurred in Québec on the last day of the year concerned (portion of the amount on line 32 in columns A and B) for

- exploration
- surface mining exploration or oil and gas exploration
- exploration in Northern Québec

Add lines 37, 38 and 39 in columns A and B. In the case of a reduction of expenses deemed to have been incurred on the last day of the year concerned (regardless of whether the reduction was required by us), see the table on page 3.

**Total amount of adjustments to expenses deemed to have been incurred in Québec on the last day of the year concerned =**

Amount of the adjustments (not the amount of expenses after adjustment) for		
A	B	C
Canadian exploration expenses	Deemed Canadian exploration expenses	Canadian development expenses
		N/A
		N/A
		N/A
		N/A
		N/A
		N/A
		N/A
		N/A

31
32
33
34
35
36
37
38
39
40

**The corporation will incur a penalty if form RL-11.S or any RL-11 slip for a reduction of expenses is filed late.**

It also runs the risk of paying interest if the documents filed late relate to a reduction of expenses deemed to have been incurred in Québec.

### Income tax on expenses deemed to have been incurred in Québec

Complete the table in part 4 of form RL-11.S to calculate the income tax on expenses deemed to have been incurred in Québec at the end of the year concerned, if the expenses were not actually incurred before the end of each month (except January) of the following year (the second year).

Note that if the corporation was granted a one-year extension, it will also have to pay a special tax calculated in accordance with section 1129.60.1 of the *Taxation Act*. For more information, contact us.

	<b>G</b>	<b>H</b>	<b>I</b>	<b>J</b>	<b>K</b>
	Expenses deemed to have been incurred in Québec on the last day of the year concerned	Expenses incurred in Québec before the end of each month of the second year	Prescribed interest rate	Interest rate adjustment constant	Income tax $[(G - H) \div 2] \times [(I \div 12) + J]$
February				0	
March				0	
April				0	
May				0	
June				0	
July				0	
August				0	
September				0	
October				0	
November				0	
December				1/10	
<b>Column K total</b>					
Income tax already remitted in respect of the same flow-through share issue, if you are completing the table to amend a previously completed table					
<b>Subtract</b> the previous line from the column K total.					
<b>Income tax payable on expenses deemed to have been incurred in Québec</b>					

### 5 Certification

I certify that the information provided in form RL-11.S and the enclosed documents is accurate and complete.

Name of the authorized person (please print)

Title or position

Signature

Area code

Phone

Extension

Date