

Courtesy Translation

Corporations established in Québec are required to communicate with Revenu Québec in French. For this reason, Revenu Québec does not produce an English version of the forms to be used by corporations. However, Revenu Québec provides translations of the content of the forms for information purposes.

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 reduce or reclassify 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 Québec enterprise number (NEQ)
- 01b Identification number File **(IC 0001) (RS)**
- 01c Identification number assigned to form CO-359.10
- 02 Name of development corporation
- 03 Address Postal code
- 04 Location of exploration or development
- 05 Number of RL-11 slips submitted

If the corporation is renouncing its resource expenses, complete parts 2 and 5.

If the corporation is allocating assistance it received or was entitled to receive as a mandatary (agent), complete parts 3 and 5.

If the corporation is adjusting previously renounced expenses, complete parts 4 and 5.

2 Renunciation of expenses

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

Penalty for late renunciation or late filing of form RL-11.S or any RL-11 slip

Amount of penalty: \$ Cheque or money order enclosed

1. Expenses included in column B must not be included in column C.
2. Include, in column A, Canadian renewable and conservation expenses if they were incurred after 2002 in accordance with a flow-through share issue agreement entered into after July 26, 2002.

3 Allocation of assistance

	Amounts of assistance for		
	D Canadian exploration expenses	E Deemed Canadian exploration expenses	F Canadian development expenses
Date on which entitlement to assistance became known to the corporation (Y M D)			
21	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) that pertain to		
22			N/A
23			N/A
24			N/A

Penalty for late filing of form RL-11.S or any RL-11 slip

Amount of penalty: \$ Cheque or money order enclosed

4 Adjustment of previously renounced expenses

Check the appropriate box.

- Reduction required by Revenu Québec. 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.

	Amount of the adjustments (not the amount of expenses after adjustment) for		
	A Canadian exploration expenses	B Deemed wCanadian exploration expenses	C Canadian development expenses
Year to which the renunciation applies (the year concerned) (Y)			
Effective date of the renunciation (Y M D)			
31	Expenses renounced by the corporation on the above-mentioned effective date, other than expenses that must be entered on line 32		
32			N/A
33	Expenses deemed to have been incurred on the last day of the year concerned		
			N/A
33	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) that pertain to		
34			N/A
35			N/A
36			N/A
	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) that pertain to		
37			N/A
38			N/A
39			N/A
40	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 Revenu Québec), 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		

The corporation will incur a penalty if form RL-11.S or any RL-11 slip relating to 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.

	G Expenses deemed to have been incurred in Québec on the last day of the year concerned	H Expenses incurred in Québec before the end of each month of the second year	I Prescribed interest rate	J Interest rate adjustment constant	K 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 ³	
Column K total					
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					
Subtract the previous line from the column K total.					
Income tax payable on expenses deemed to have been incurred in Québec					

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)

(Signature) (Title or position) (Date)