

**FOREMOST CAPITAL CORP.
RELATIONSHIP DISCLOSURE**

Foremost Capital Corp. (“**Foremost Capital**”) is registered with the British Columbia Securities Commission and the Alberta Securities Commission as an exempt market dealer (“**EMD**”). As an EMD, Foremost Capital is qualified to trade in exempt market securities. Foremost Capital’s core service is to facilitate the investment by clients in the exempt market securities of particular issuers.

An investment in exempt market securities may not be suitable for all clients. An investment in exempt market securities can be a high risk, speculative investment which may lose all of its value. The client should be capable of evaluating the merits and risks of the investment and should be able to bear the risk of losing all of its investment in the exempt market securities, in a worst case scenario. Exempt market securities are subject to resale restrictions which restrict the client from trading, selling or transferring the securities purchased. In addition, some exempt market securities may include a warrant, which will also have resale restrictions as well as an expiry date, and it is possible that the warrant may be worthless at the expiry date. The client is solely responsible for ensuring compliance with the resale restrictions of exempt market securities and is advised to consult with its legal advisors regarding those restrictions.

Foremost Capital has an obligation to assess whether the investment in particular exempt market securities is suitable for the client, prior to the client’s investment. In order to assess the suitability of the investment, Foremost Capital must obtain the client information requested in the accompanying form (“**Client Information Form**”). The Client Information Form requests information of clients as required by securities laws. The information requested includes, among other things, details as to the client’s identity, their investment needs and objectives, their financial circumstances and their risk tolerance.

Investment by the client in exempt market securities takes place by way of private placements conducted on behalf of the issuer of the exempt market securities. The contractual agreement regarding the investment is between the client and the issuer of the exempt market securities. Foremost Capital’s relationship with the client is on a transactional basis and Foremost Capital does not hold or have access to client assets.

When a suitable investment opportunity in exempt market securities materializes for an eligible client, Foremost Capital will open an account for that client upon the receipt by Foremost Capital from the client of the completed subscription documents related to the exempt market securities. There are no costs incurred by the client while the account is active. Although Foremost Capital does not charge a fee to clients while their account is active, Foremost Capital does earn an equity placement fee (i.e. a sales commission) from the issuer of the exempt market securities purchased by clients. The issuer is paying a placement fee to Foremost Capital.

Foremost Capital will deliver a statement to the client at least once every three months in which the client’s account is active. Foremost Capital will deliver a statement to the client at the end of a month if the client has requested receiving statements on a monthly basis or if during the month, a transaction was effected in the account. Statements provided to the client will include the following information for each transaction made for the client during the period covered by the statement: (a) the date of the transaction; (b) the type of transaction; (c) the name of the security; (d) the number of securities; (e) the price per security; and (f) the total value of the transaction. Once Foremost Capital has closed the client’s account no additional reporting will be provided by Foremost Capital to the client.

Securities laws require Foremost Capital to remind clients that using borrowed money to finance an investment in exempt market securities, or an investment in any securities for that matter, involves greater risk than an investment in securities purchased using only cash resources. If a client borrows money to invest in exempt market securities then the client’s responsibility to repay the loan, and the related interest, is a responsibility that remains the same even if the value of the securities purchased has declined. In fact, when borrowing

money to invest in securities there is a risk that the value of the debt taken on by the client to purchase the securities may eventually be much greater than the value of the securities purchased.

Foremost Capital is also required by securities laws to take reasonable steps to identify existing material conflicts of interest and other material conflicts of interest that may be expected to arise between Foremost Capital and a client. If a reasonable investor would expect to be informed of a conflict of interest then Foremost Capital must disclose, in a timely manner, the nature and extent of the conflict of interest to the client whose interest conflicts with the interest identified by Foremost Capital.

Independent dispute resolution or mediation services are available at Foremost Capital's expense to resolve any dispute that might arise between the client and Foremost Capital about any transaction completed by Foremost Capital on behalf of the client.

Dated: _____