Agence du revenu du Canada

Election on disposition of property by a taxpayer to a taxable Canadian corporation

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• For use by a taxpayer and a taxable Canadian corporation to jointly elect under subsection 85(1) where the taxpayer has disposed of eligible property within the meaning of subsection 85(1.1) to the corporation and has received as consideration shares of any class in that corporation.

Do not use t	his area	

Mail this election and related schedules (if any), separately from other tax returns, to the tax centre
serving the area where the transferor is located, where two or more co-owners or members of a
partnership elect, the elections will be processed in bulk and should be filed at the tax centre of the
transferee as follows:

- 1 ~ One copy by the transferor, or two or more copies if two or more transferors elect regarding the transfer of the same property (co-ownership), or two or more members of the same partnership elect for the transfer of their partnership interests. In these situations, one transferor designated for the purpose should file simultaneously one copy for each transferor, together with a list of all transferors electing. This fist should contain the address and Social insurance number or business number of each transferor;
- 2 On or before the earliest date on which any party to the election has to file an income tax return for the tax year in which the transaction occurred, taking into consideration any election under subsection 99(2) (due date);

Find your tax centre's address by going to www.cra.gc.ca/tso.

All legislative references on this form are to the Income Tax Act.

All legislative references on this form a	are to the income Tax Act.					
Taxpayer's name (transferor)	The state of the s		Social insurance number or Business number			
Address			Postal code			
Tax year of the taxpayer from	Year Month Day From	Year Month Day to	Tax services o	office		
Name of co-owner(s), if any (if more than one	, attach schedule giving similar detai	ls)		Social insurance number (SIN)		
Address	Postal code	Tax services office				
Name of corporation (transferee) Tourmaline Oil Corp	I	Business number 835610825 RC 0001				
Address Postal code 3700, 250 6th Ave SW, Calgary AB T2P 3H7						
Tax year of the corporation from	Year Month Day From 2015-01-01	Year Month Day to 2015-12-31	Tax services of Calgary	office		
Name of person to contact for additional information of the Brian Dewar, CA	mation		Area code 403	Telephone number 266-5992		
Penalty for late-filed and	amended elections –					
An election that is filed after its due date penalty is paid at the time of filing. Form reason the election is amended or late-fithis election is filed.	T2057 can also be amended or	filed after the 3-year period, t	out in these situa	tions, a written explanation of the		
Calculation of late-filing penalty: Fair market value of property transferr	red	,		Do not use this area		
Less: agreed amount						
Amount A × 1/4 × 1% × N*						
* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.						
Late-filing penalty is the lesser of B and C above Amount enclosed						
Make a cheque or money order payable to the Receiver General. Specify "T2057" on the remittance and, to ensure proper credit, indicate the name and Social insurance number of the taxpayer, or Business number if a corporation.						
Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.						

Information	required			<u> </u>	Prot	ectec	IB who	en com	pleted
received has to be shown calculation of the adjuste disposition of each depre documentation relating to	st, describe, and state the fair men opposite the related property to do cost base. If space on the forectable property. With this election the responses to the questions a have to keep them as the Can	ransferred. Where the mais insufficient, atta on you do not have the s below, and a brief	ne transf ch scheo o file the summan	erred property is a partne dules giving similar details o following materials: sche y of the method of evaluat	rship interest, attach a s. You have to designat dules supporting this d ing the fair market valu	sched e the esigna	lule of t order o ation,	he f	
1 - Is there a written agr	eement relating to this transfer?) 	<i>.</i>			√	Yes		No
2 – Does a price adjustm	nent clause apply to any of the p	properties? (See the	Income	Tax Folio S4-F3-C1 for de	etails.)		Yes	\checkmark	No
3 – Do any persons othe	r than the taxpayer own or cont	rol directly or indirec	tly any s	hares of any class of the	transferee?	\checkmark	Yes		No
4 – Does a non-arm's ler	ngth rollover exist between 2 or	more corporations?					Yes	\checkmark	No
a) Have all or subst the transferee co	antially all (90% or more) of all orporation?	the properties of the	corpora	tion(s) been transferred to	N/A		Yes		No
5 Is the taxpayer a non-resident of Canada?							Yes	\checkmark	No
6 Are any of the properties transferred capital properties?							Yes		No
If yes,						_			
a) have they been owned continuously since Valuation Day?							Yes	$\overline{\mathbf{A}}$	No
b) have they been acquired after Valuation Day in a transaction considered not to be at arm's length?							Yes		No
 since Valuation Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received, and attach a schedule.)							Yes	V	No
7 – Is the agreed amount of any of the transferred properties based on an estimate of fair market value on Valuation Day?							Yes	V	No
a) If yes , does a formal documented Valuation Day value report exist?						П	Yes		No
8 – Has an election unde	8 – Has an election under subsection 26(7) of the Income Tax Application Rules (Form T2076) been filed by or							No	
Where shares of the cap	ital stock of a private corporatio	n are included in the	propert	y disposed of, provide the	following:				
Name of corporation Bergen Resources Inc.				ss number 5885 RC 0001	Paid-up capital of shar As calculated under	ares transferred under the ITA r s. 85(2.1)			
—— Description	of shares received -						····		
Number of shares transferor received	Class of shares	Redemption val per share	ue	Paid-up capital under the ITA	Voting or non-voting			shares table?	*
	Common				Voting		☐ Ye	s 🗸	No
							☐ Ye	s 🗌	No
] Ye	s 🗌	No
] Ye	s 🗌	No
] Ye	s 🗌	No
* Retractable means redeemable at the option of the holder.									

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular, IC76-19 and Interpretation Bulletins, IT-291 and IT-378, and Income tax Folio S4-F3-C1.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

				- Control of the Cont				
	Date of sale or transfer of all properties listed below:	Year 2 0 1	Month Day 5 0 7 2 0	Note: F	Note: For properties sold or transferred on different dates, use separate Form T2057.	nsferred on different da	tes, use separate Form	1 T2057.
	Property disposed of	osed of		Agreed	Amount to be		Consideration received	
	Description	Elected amount limits*	ount limits*	amount	reported B – A	Non-share	Share	
		Fair market value	Α	(cannot be zero) B	(if greater than 0, see note 4)	Description	Number and class	value of total consideration
Capital property	(Brief legal)		(see note 1)					
excluding depreciable property				A CONTRACTOR OF THE CONTRACTOR		-	A A A A A A A A A A A A A A A A A A A	A STATE OF THE STA
Depreciable property	(Description and prescribed class)		(see note 2)					
	(Kind)		(see note 3)					
property	and the surface professions and				700		**************************************	
Inventory excluding	(Kind)		(cost amount)			(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)		
real property		1994		***************************************	And an analysis of the state of			
	(Brief legal)		níl					
property		***************************************	nil					11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
			nii	4444				
Security or	(Description)		(cost amount)			· 在 · · · · · · · · · · · · · · · · · ·		
debt obligation property			A A A A A A A A A A A A A A A A A A A	Hilliamenton				
Specified Debt Obligation (For financial			(cost amount)					
institutions only)	ALLES AND							
Capital property that is real property owned by a non-	(Description)							
Action of			(cost amount)					
fund no. 2 (see note 5)								
	•							

Note 1: Adjusted cost base (which is subject to adjustment per section 53).

Note 2: The lesser of undepreciated capital cost of all property of the class and the cost of the property.

Note 3: The lesser of 4/3 x cumulative eligible capital and the cost of the property.

Note 4: This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as income.

Note 5: Contributions made in a tax year ending after 2007, and amounts earned on those contributions, are only eligible if that property is owned by an individual.

* Refer to current Interpretation Bulletin IT-291 for more information on eligible property and an explanation of the limits.

Election and Certification		Protected B when completed
The taxpayer and corporation hereby jointly elect under subsection 8 election, and in any documents attached, is to the best of their knowle		nat the information given in this
and	the floting,	August 20, 2015
Signature of Transferor, of Authorized Officer or Authorized Person*	Signature of Authorized Officer of Transferee	Date
* Attach a copy of the authorizing agreement		

Privacy Act, Personal Information Bank number CRA PPU 047