

Winnipeg MB R3C 3M2

MAR 08 2011

Page 1 of 6

SIGNALENERGY INC
PO BOX 1917 STN M
CALGARY AB T2P 2M2

Table with 2 columns: Field Name, Value. Fields include Date of mailing (March 1, 2011), Business Number (89853 7295 RC0002), and Tax year-end (December 31, 2006).

0004311

CORPORATION NOTICE OF REASSESSMENT

RESULTS

This notice explains the results of our reassessment of the "T2 Corporation Income Tax Return" for the tax year indicated above. It also explains any changes we may have made to the return.

Result of this Reassessment : \$ 771,847.38 Cr
Prior balance: \$ 18,560,684.45
Total balance: \$ 17,788,837.07

We will not charge additional interest on the total balance shown if you pay the full amount by March 21, 2011.

Please refer to the Summary and Explanation for additional information.



SIGNALENERGY INC

Date of mailing March 1, 2011
Business Number 89853 7295 RC0002
Tax year-end December 31, 2006

CORPORATION NOTICE OF REASSESSMENT

SUMMARY OF REASSESSMENT

	\$ Previous	\$ Reassessed	\$ Adjustment
Federal Tax:			
Part I	10,558,089.00	9,892,289.00	665,800.00 Cr
Part I.3	0.00	0.00	0.00
Part II	0.00	0.00	0.00
Part III.1	0.00	0.00	0.00
Part IV	0.00	0.00	0.00
Part IV.1	0.00	0.00	0.00
Part VI	0.00	0.00	0.00
Part VI.1	0.00	0.00	0.00
Part XIII.1	0.00	0.00	0.00
Part XIV	0.00	0.00	0.00
Total Federal Tax Adjustment:			\$ 665,800.00 Cr
Net Provincial and Territorial Tax/Credit:			
British Columbia	765,285.00	715,790.00	49,495.00 Cr
Total Net Provincial and Territorial Tax/Credit Adjustment:			\$ 49,495.00 Cr
		Net balance:	\$ 715,295.00 Cr
Subsection 162(1) failure to file penalty	1,924,973.58	1,924,973.58	0.00
Interest:			
Arrears interest			56,552.38 Cr
		Result of this reassessment:	\$ 771,847.38 Cr
		Prior balance:	\$ 18,560,684.45
		Total balance:	\$ 17,788,837.07

Linda Lizotte-MacPherson
Commissioner of Revenue

EXPLANATION

We have adjusted the T2 return due to a carryback request.

We have revised the taxable resource income claimed on the "T2 Corporation Income Tax Return" to \$41,012,809.00, which is the maximum allowable.

We have revised the resource deduction claimed on the "T2 Corporation Income Tax Return" to \$2,050,640.00, which is the maximum allowable.

We have provided a breakdown of the provincial and territorial tax and credit amounts.

Net British Columbia tax/credit consists of the following:

British Columbia tax \$ 715,790.00

We have identified your corporation as a "large corporation" under subsection 225.1(8) of the "Income Tax Act" (the Act). According to subsection 225.1(7), if a large corporation is assessed an amount under the Act, we can take action to collect half of this amount before the end of the 90-day period the corporation has to make an objection or appeal. After this period is over, we can take action to collect the unpaid amount, except for half of the amount the corporation objected to or appealed.

SIGNALENERGY INC

Table with 2 columns: Field Name, Value. Fields include Date of mailing (March 1, 2011), Business Number (89853 7295 RC0002), and Tax year-end (December 31, 2006).

0004312

CORPORATION NOTICE OF REASSESSMENT

Our records show that you have not paid half of the total amount of taxes, penalties, and interest assessed. Please pay this amount immediately. If you are unable to do so, please contact the collections section of the tax services office serving your corporation within 20 days of the date we mailed your "Notice of Assessment" or "Notice of Reassessment."

If you have already paid the amount required, please accept our thanks. However, if you made the payment more than 15 days ago, please contact us.

For your information we have attached a statement explaining how we have calculated interest.

For general information regarding filing an objection, determining a corporation's losses, or reassessment periods, please refer to the "T2 Corporation Income Tax Guide," or visit our Web site at www.cra.gc.ca.

Please visit www.cra.gc.ca/mybusinessaccount to access your business information online.

For information about online requests available to business clients, visit www.cra.gc.ca/requests-business. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

The Canada Revenue Agency also offers the convenience of Direct Deposit. For information about this service, please visit our Web site at www.cra.gc.ca or contact the number provided below.

For information visit www.cra.gc.ca or contact:

Business Enquiries: 1-800-959-5525
Winnipeg Tax Centre
66 Stapon Road
Winnipeg MB R3C 3M2
Fax 204-984-0418

Calgary Tax Services



SIGNALENERGY INC

Page 4 of 6

Date of mailing March 1, 2011
Business Number 89853 7295 RC0002
Tax year-end December 31, 2006

CORPORATION NOTICE OF REASSESSMENT

Winnipeg MB R3C 3M2

SIGNALENERGY INC
 PO BOX 1917 STN M
 CALGARY AB T2P 2M2

Date	March 1, 2011
Business Number	89853 7295 RC0002

0004314

STATEMENT OF INTEREST CALCULATED

Program: Corporation Income Tax Filing Date: May 22, 2009
 Reporting Period End: December 31, 2006 Balance Due Date: February 28, 2007

Summary of Interest:

	Revised	Previous	Adjustment
Instalment interest	32,156.71	32,156.71	0.00
Instalment penalty	12,058.77	12,058.77	0.00
Arrears interest	3,825,654.68	3,882,207.06	56,552.38 Cr
Total			56,552.38 Cr

The interest rates that appear on this statement are displayed to two decimal places. The actual calculation has been made in accordance with the rates prescribed by law. To view these interest rates, please visit our Web site at www.cra.gc.ca.

Instalment Base Amounts

Reporting period starting	Jan. 1, 2006	Jan. 1, 2005	Jan. 1, 2004
Reporting period ending	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2004
Effective date	Jan. 1, 2006	Jan. 1, 2005	Jan. 1, 2004
Federal tax	10,558,089.00	623,177.00	317,696.00
Provincial tax	765,285.00	0.00	0.00
Current tax credits	0.00	0.00	0.00
Instalment base	11,323,374.00	623,177.00	317,696.00

We have calculated your required instalment payments. You had to make 2 payments of \$26,474.66 based on the reporting period ending December 31, 2004 and 010 payments of \$57,022.76 based on the reporting period ending December 31, 2005.

Instalment Interest Calculation

Date	# of Int. Days	Int. Rate	Interest	Item	Amount	Balance
Jan. 31, 2006	0000	0.00	0.00	Payment due	26,474.66	26,474.66
Feb. 28, 2006	0028	7.00	142.53	Payment due	26,474.66	53,091.85
March 31, 2006	0031	7.00	316.55	Payment due	57,022.76	110,431.16
April 30, 2006	0030	8.00	728.44	Payment due	57,022.76	168,182.36
May 31, 2006	0031	8.00	1,146.48	Payment due	57,022.76	226,351.60
June 30, 2006	0030	8.00	1,493.08	Payment due	57,022.76	284,867.44
July 31, 2006	0031	8.00	1,941.91	Payment due	57,022.76	343,832.11
Aug. 31, 2006	0031	8.00	2,343.87	Payment due	57,022.76	403,198.74
Sep. 30, 2006	0030	8.00	2,659.61	Payment due	57,022.76	462,881.11
Oct. 31, 2006	0031	9.00	3,551.30	Payment due	57,022.76	523,455.17
Nov. 30, 2006	0030	9.00	3,886.01	Payment due	57,022.76	584,363.94
Dec. 31, 2006	0031	9.00	4,483.34	Payment due	57,022.76	645,870.04
Feb. 28, 2007	0059	9.00	9,463.59	Balance due date	655,333.63	
			32,156.71	Total Instalment Interest		

Instalment Penalty Calculation

The penalty for late or insufficient tax instalments for a filing period, equals 50% of the amount by which



SIGNALENERGY INC

Date March 1, 2011
Business Number 89853 7295 RC0002

STATEMENT OF INTEREST CALCULATED

the instalment interest payable for the year exceeds the greater of A) \$1,000.00 or B) 25% of the debit instalment interest calculated without taking into account any payments which may have been made for that year.

Instalment interest charged	32,156.71
Minus the greater of:	
A) \$1,000.00	
B) 8,039.17 (25% x 32,156.71)	8,039.17

	24,117.54
	x 50%

Instalment penalty	12,058.77
Instalment penalty charged	12,058.77

Arrears/Refund Interest Calculation						
Date	# of Int.	Interest	Item	Amount	Balance	
	Days	Rate				
Feb. 28, 2007	0000	0.00	Part I tax	10,558,089.00	10,558,089.00	
Feb. 28, 2007	0000	0.00	Provincial tax	765,285.00	11,323,374.00	
Feb. 28, 2007	0000	0.00	Instalment penalty	12,058.77	11,335,432.77	
Feb. 28, 2007	0000	0.00	Instalment interest	32,156.71	11,367,589.48	
March 31, 2007	0031	9.00		87,214.13	11,454,803.61	
June 30, 2007	0091	9.00	Fail to File Penalty	1,924,973.58	13,639,677.07	
Sep. 30, 2007	0092	9.00		312,912.34	13,952,589.41	
Dec. 31, 2007	0092	9.00		320,090.97	14,272,680.38	
March 31, 2008	0091	8.00		286,704.34	14,559,384.72	
June 30, 2008	0091	8.00		292,463.56	14,851,848.28	
Sep. 30, 2008	0092	7.00		263,614.83	15,115,463.11	
Dec. 31, 2008	0092	7.00		268,293.89	15,383,757.00	
March 31, 2009	0090	6.00		229,268.24	15,613,025.24	
May 26, 2009	0056	5.00	Carryback	715,295.00 Cr	15,017,953.70	
June 25, 2009	0030	5.00		61,840.36	15,079,794.06	
June 30, 2009	0005	5.00		10,331.46	15,090,125.52	
Sep. 30, 2009	0092	5.00		191,367.16	15,281,492.68	
Dec. 31, 2009	0092	5.00		193,794.00	15,475,286.68	
March 31, 2010	0090	5.00		191,958.94	15,667,245.62	
June 30, 2010	0091	5.00		196,512.86	15,863,758.48	
Sep. 30, 2010	0092	5.00		201,178.07	16,064,936.55	
Dec. 31, 2010	0092	5.00		203,729.34	16,268,665.89	
March 1, 2011	0060	5.00	Last interest date		16,402,922.74	
		3,825,654.68	Total Arrears Interest			

For further information, contact:

Winnipeg TC
 66 Stapon Road
 Winnipeg MB R3C 3M2
 Fax 204-984-0418
 Toll free number 1-800-959-5525



SIGNALENERGY INC

Date of mailing	March 1, 2011
Business Number	89853 7295 RC0002
Tax year-end	December 31, 2006

0004313

CORPORATION NOTICE OF REASSESSMENT

Payment Options

Make your payment online using the Canada Revenue Agency's My Payment option. For more information, or to use My Payment, go to www.cra.gc.ca/mypayment...

You can also:

- Use your financial institution's Internet or telephone banking services. For more information contact your financial institution.
- Present this form and your payment to the teller at your financial institution. This service is free of charge at banks located in Canada.
- Mail this remittance voucher, along with your cheque or money order made payable to the Receiver General, to the address on the back of the voucher. Please write your 15 character Business Number on the back of your cheque or money order.

Please use the attached voucher to pay the indicated amount owing.

Amount paid



**CORPORATION INCOME TAX
Amount Owing Remittance Voucher**

Business Name
SIGNALENERGY INC

Business Number
89853 7295 RC 0002

71	7
----	---

Amount owing (\$)
17,788,837.07

Amount paid

RC159 E (06/04)

0720090071000700898537295RC00020000000017788837070720099

SIGNALENERGY INC

Date of mailing	March 1, 2011
Business Number	89853 7295 RC0002
Tax year-end	December 31, 2006

CORPORATION NOTICE OF REASSESSMENT

We used your payment pattern to determine whether to include a return envelope with this remittance voucher.

Teller's Stamp

We will charge a fee for any dishonoured payment.
 DO NOT staple, paper clip, tape or fold this voucher or your cheque and do not use photocopied remittance vouchers.
 DO NOT mail cash.
 If an envelope accompanied this voucher, please ensure the address below appears in the window of the envelope provided.

Teller's Stamp

CANADA REVENUE AGENCY
 TECHNOLOGY CENTRE
 875 HERON RD
 OTTAWA ON K1A 1B1