A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick and the Northwest Territories but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

*This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the ''**U.S. Securities Act**''), or any state securities laws and may not be offered or sold in the United States or to U.S. persons except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to an exemption therefrom. See ''Plan of Distribution''.*

PRELIMINARY SHORT FORM PROSPECTUS

New Issue August 3, 2005

QUEST CAPITAL CORP.
$●
● Common Shares

This short form prospectus qualifies the distribution (the "**Offering**") of ● common shares (the "**Offered Shares**") of Quest Capital Corp. (the "**Company**" or "**Quest**") at a price of $● per Offered Share. The offering price of the Offered Shares of $● was determined by negotiation between the Company and Desjardins Securities Inc. and Canaccord Capital Corporation (collectively the "**Underwriters**").

The Company's outstanding common shares (the "**Common Shares**") are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "QC". On August 2, 2005, the last day of trading immediately prior to the announcement of the Offering, the closing price of the Common Shares on the TSX was $2.44. The Company has applied to list the Offered Shares on the TSX. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX.

In connection with the Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might prevail on the open market. The completion of the distribution of the Offered Shares is expected to occur on or about August ●, 2005. See ''Plan of Distribution''.

PRICE $● PER COMMON SHARE

	Price to the Public	Underwriters' Fee(2)	Proceeds to the Company (1)
Per Common Shares ………………………	$●	$●	$●
Total Offering (3) …………………………...	$●	$●	$●

Notes:
(1) Before deducting expenses of the Offering, estimated to be $●, which will be paid out of the proceeds of the Offering.
(2) The Company has granted to the Underwriters non-assignable compensation options (the **"Compensation Options"**) to purchase Common Shares representing an aggregate of 6% of the Common Shares issued pursuant to the Offering, including pursuant to the Over-Allotment Option referred to in note (3) below, exercisable at the Offering price of the Common Shares for a period of 24 months from the closing of the Offering. This short form prospectus qualifies the distribution of the Compensation Options to the Underwriters. See "Plan of Distribution".

(3) The Company has granted to the Underwriters an option (the "**Over-Allotment Option**") exercisable for a period of 60 days following the closing date of the Offering, to purchase at the Offering price additional Common Shares in an amount up to 15% of the aggregate number of Common Shares issued upon the closing of the Offering. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to the Company will be $●, $● and $●, respectively. This short form prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Common Shares to be issued or sold upon exercise of the Over-allotment Option. See "Plan of Distribution".

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the underwriting agreement referred to under ''Plan of Distribution'' and subject to the approval of certain legal matters on behalf of the Company by Stikeman Elliott LLP, and on behalf of the Underwriters by Goodmans LLP. Subscriptions will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is expected that certificates evidencing the Offered Shares will be available for delivery at the closing of the Offering, which is expected to take place on or about August ●, 2005, or such other date as may be agreed upon by the Company and the Underwriters, but in any event not later than ●, 2005.

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All currency amounts used in this short form prospectus are stated in Canadian dollars, unless otherwise indicated.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of the Company at Suite 300, 570 Granville Street, Vancouver, British Columbia, V6C 3P1, telephone number (604) 689-1428, or by accessing the disclosure documents available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR), which can be accessed at www.sedar.com. For the purpose of the Province of Québec, this simplified prospectus contains information to be completed by consulting the permanent information record. A copy of the permanent information record may be obtained from the secretary of the Company at the above-mentioned address and telephone number.

The following documents of the Company, filed with the securities regulatory authorities in Canada, are specifically incorporated by reference into, and form an integral part of, this short form prospectus:

(a) Revised Initial Annual Information Form dated July 6, 2005 (the "**Revised AIF**").

(b) Audited consolidated financial statements for the years ended December 31, 2004 and 2003, together with the auditors' report thereon and notes thereto.

(c) Management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2004.

(d) Unaudited consolidated financial statements for the three months ended March 31, 2005, together with the notes thereto.

(e) Management's discussion and analysis of financial condition and results of operations for the three months ended March 31, 2005.

(f) Management Information Circular dated April 25, 2005 relating to the annual meeting of shareholders held on June 1, 2005, excluding the sections entitled "Composition of Compensation Committee", "Report on Executive Compensation", "Performance Graph" and "Appendix A- Statement of Corporate Governance Practices".

(g) Material change report dated May 16, 2005 in respect of the closing of its previously announced private placement of 5,000,000 Common Shares.

(h) Material change report dated May 16, 2005 in respect of the release of its unaudited financial results for the three months ended March 31, 2005.

(i) Material change report dated April 7, 2005 in respect of Mr. Buchan joining the Company as its Executive Chairman.

(j) Material change report dated March 31, 2005 in respect of the release of its audited financial results for the year ended December 31, 2004.

(k) Material change report dated January 7, 2005 in respect of the acquisition by the Company of 1,586,667 shares of Choice Resources Corp.

(l) Material change report dated January 4, 2005 in respect of the indirect acquisition through Quest Securities Corporation of 1,000,000 warrants of Groundstar Resources Limited.

Any documents of the type referred to above (excluding confidential material change reports) filed by the Company with a securities regulatory authority in Canada, after the date of this short form prospectus and prior to the termination of the Offering, will be deemed to be incorporated by reference into this short form prospectus.

Any statement contained in this short form prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

FORWARD-LOOKING STATEMENTS

Certain statements in this short form prospectus and the documents incorporated herein by reference are ''forward-looking statements'' within the meaning of the United States Private Securities Litigation Reform Act of 1995. When used in this short form prospectus and the documents incorporated herein by reference, such statements use such words as ''may'', ''will'', ''expect'', ''believe'', ''plan'', ''forecast'', ''budget'' and other similar terminology. These statements reflect management's expectations as of the date of such forward-looking statements regarding the Company's future operational or financial performance and should not be read as guarantees of future performance or results.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the factors discussed under ''Risk Factors''. Although the Company has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, and accordingly readers should not place undue reliance on forward-looking statements. The

Company assumes no obligation to update or revise forward-looking statements to reflect new events or circumstances.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP and Goodmans LLP, the Offered Shares will be, as at the date of issue, qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans, subject to the specific provisions of any particular plan.

QUEST CAPITAL CORP.

Quest Capital Corp. was incorporated on October 27, 1980 under the name "Viceroy Petroleums Ltd." pursuant to the laws of the Province of British Columbia. On April 6, 1984, the Company amalgamated with B&B Resource Inc. which was incorporated pursuant to the laws of the Province of British Columbia. The amalgamated company continued its operations as "Viceroy Resource Corporation". On June 30, 2003, the Company completed a reorganization by way of a statutory plan of arrangement as described under the heading "Arrangement" in the Revised AIF.

The registered office of the Company is located at 595 Howe Street, 10th Floor, Vancouver, British Columbia, V6C 2T5. The principal office is located at Suite 300, 570 Granville Street, Vancouver, British Columbia, V6C 3P1. The Company also has an office at 77 King Street West, Suite 3110, Royal Trust Tower, Toronto-Dominion Centre, Toronto, ON M5K 1H1.

An organization chart of the Company and its subsidiaries is set out in Schedule "A" of the Revised AIF.

The Company's primary focus is providing financial services to small and mid-cap companies. The financial services include providing bridge/mortgage lending, raising of capital, consulting and management and administrative services. The bridge/mortgage lending is typically to asset-based borrowers in the mining, oil and gas, and real estate sectors. Loans may range up to $35 million in principal and may have a term up to two years.

DESCRIPTION OF SHARE CAPITAL

As of the date hereof, the authorized capital of the Company consists of an unlimited number of Common Shares without par value, an unlimited number of first preferred shares without par value ("**First Preferred Shares**"), and an unlimited number of second preferred shares without par value ("**Second Preferred Shares**"), of which 95,465,568 Common Shares are issued and outstanding. Currently, there are no First Preferred Shares or Second Preferred Shares issued or outstanding.

The holders of the Common Shares are entitled to one vote per share.

The First Preferred Shares and Second Preferred Shares may be issued in one or more series. The directors of the Company may by resolution of the directors before the issue of any series alter the Company's Notice of Articles to fix the number of preferred shares in a series and create, attach and define special rights such as the payment of dividends and rights of redemption, conversion and retraction. Holders of First Preferred Shares shall be entitled to one vote in respect of each First Preferred Share held at general meetings. Holders of Second Preferred Shares shall not be entitled as such to vote at any general meeting of shareholders of the Company. Holders of First Preferred Shares of each series rank on a parity with the First Preferred Shares of every other series and are entitled to preference over the Second Preferred Shares and Common Shares. Holders of Second Preferred Shares of each series rank on a parity with the Second Preferred Shares of every other series and are entitled to preference over the Common Shares.

CONSOLIDATED CAPITALIZATION

The following table sets out the cash and short term investments, long-term debt and capitalization of the Company as at the dates indicated, on an actual basis and pro forma basis to give the effect to the Offering and assuming the application of the estimated net proceeds therefrom as set forth under “Use of Proceeds”. Such table should be read in conjunction with the audited and unaudited consolidated financial statements of the Company and related notes thereto incorporated by reference in this short form prospectus.

	December 31, 2004 Actual	**March 31, 2005 Actual**	**March 31, 2005 Pro Forma, after giving effect to the Offering(1)(2)(3)**
		(in thousands of Canadian dollars) (unaudited)	
Cash and cash equivalents	$ 6,607	$3,468	$●
Long-term debt, including current portion	$ NIL	$3,000	$●
Shareholders’ equity			
Common Shares	$ 83,388	$83,388	$●
(authorized: unlimited; outstanding as at December 31, 2004: 90,465,568; as at March 31, 2005: 90,465,568; as at March 31, 2005 Pro Forma: ●.			
Warrants and Options	$ 4,198	$4,604	$●
Retained earnings	$ 10,706	$14,017	$●
Currency translation adjustment	$ 1,228	$1,337	$●
Total shareholders’ equity	$ 99,520	$103,346	$●
Total Capitalization	$ 99,520	$ 106,346	$ ●

(1) To give effect to the sale of ● Offered Shares in the Offering at a price of $● per Offered Share, and deduction of underwriting commissions and estimated expenses of the Offering payable by the Company, the issuance of the Compensation Options and the application of the net proceeds from the Offering as described under “Use of Proceeds”.

(2) To give effect to the issuance of 5,000,000 common shares at $1.50 per share by way of private placement completed in May 2005.

(3) To give effect of the repayment of the Company’s short term debt of $3,000,000 in May 2005.

CHANGES IN SHARE AND LOAN CAPITAL STRUCTURE

The following changes in the share and loan capital structure of the Company have occurred since December 31, 2004:

> On May 12, 2005, 5,000,000 common shares were issued by way of a private placement at $1.50 per common share; and
>
> On May 25, 2005, the Company’s short-term debt of $3,000,000 was repaid.

USE OF PROCEEDS

The estimated net proceeds of the Offering, after deducting the Underwriters' fee and the estimated expenses of the Offering, will be $●. The Company intends to use $● of the net proceeds of the Offering to fund its merchant banking business.

PLAN OF DISTRIBUTION

Pursuant to an agreement (the ''**Underwriting Agreement**'') dated August ●, 2005 among the Company and the Underwriters, the Company has agreed to sell and the Underwriters have agreed to purchase, on August ●, 2005, or on such other date as may be agreed upon by the Company and the Underwriters, but in any event no later than ●, 2005, the Offered Shares at a price of $● per Offered Share for an aggregate consideration of $● payable to the Company by the Underwriters against delivery of certificates representing the Offered Shares. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement.

The Underwriting Agreement also provides that the Company will indemnify the Underwriters and their respective directors, officers, employees and agents against certain liabilities and expenses or will contribute to payments that the Underwriters may be required to make in respect thereof.

The offering price of the Offered Shares was determined by negotiation between the Company and the Underwriters. The Company has granted to the Underwriters the Over-Allotment Option, exercisable for a period of 60 days following the closing date of the Offering, to purchase at the Offering price additional Common Shares in an amount up to 15% of the aggregate number of Common Shares issued upon the closing of the Offering. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to the Company will be $●, $● and $●, respectively. This short form prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Common Shares to be issued or sold upon exercise of the Over-allotment Option.

The Company has granted non-assignable Compensation Options to the Underwriters to purchase Common Shares representing an aggregate of 6% of the Common Shares issued pursuant to the Offering, including Common Shares issued pursuant to the Over-Allotment Option, if any, exercisable at the Offering price of the Common Shares for a period of 24 months from the closing of the Offering. This short form prospectus qualifies the distribution of the Compensation Options to the Underwriters.

The Company has applied to list the Offered Shares on the TSX. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX.

Pursuant to policy statements of certain securities regulators, the Underwriters may not, throughout the period of distribution, bid for or purchase any Common Shares. The policy statements allow certain exceptions to the foregoing prohibitions. The Underwriters may only avail themselves of such exceptions on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces of Market Regulation Services Inc., relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Pursuant to the first mentioned exception, in connection with this Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

Pursuant to Ontario Securities Commission Rule 48-501, the Underwriters may not, beginning two days prior to the date that the offering price was determined and throughout the period of distribution under this short form prospectus (the **''Restricted Period''**), bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions. These exceptions include a bid or purchase permitted under the by-laws and rules of the TSX relating to market stabilization and passive market-making activities, provided that the bid or purchase does not exceed the lesser of the offering price and the last independent sale price at the time of the entry of the bid or order to purchase, and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution, provided that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. Pursuant to the first mentioned exception, in connection with this Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Offered Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state in the United States. The Offered Shares may not be offered or sold or otherwise transferred or disposed of within the United States without registration unless an exemption from registration is available. The Underwriters have agreed not to offer or sell the Offered Shares in the United States without registration under the U.S. Securities Act and applicable state securities laws except to certain institutional purchasers in transactions that comply with the exemption from registration set forth in Rule 144A under the U.S. Securities Act. In addition, until 40 days after the date of this short form prospectus, any offer or sale of the Offered Shares in the United States by any dealer, whether or not participating in the Offering, may violate the registration provisions of the U.S. Securities Act unless made in compliance with Rule 144A thereunder.

RISK FACTORS

An investment in the Offered Shares is subject to risks that prospective purchasers should take into consideration when making a decision to purchase Offered Shares. These risk factors are disclosed below and under "Risk Factors" in the Revised AIF.

Share Price Volatility

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations which have not necessarily been related to operating performance, underlying asset values or the prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Common Shares.

Use of Proceeds

The Company intends to use the net proceeds of the Offering to fund its merchant banking business and will have broad discretion over how these proceeds are ultimately deployed. The Company's investment guidelines for bridge and real estate loans are described in the Revised AIF under the heading "Merchant Banking Business", however these guidelines have not been formalized by the Company's board of directors. Therefore, the Company has no restrictions or limits on the kind of loans or investments it can make. Investors will be relying on the judgment of management and the board of directors as to the most effective use of the proceeds of the Offering. If the Company does not use the proceeds of the Offering effectively, its business, operations and financial results could be adversely affected.

Investment Concentration

Approximately 77% of the Company's loan portfolio (representing approximately 50% of its total assets) currently consists of real estate loans. This investment concentration may vary from time to time depending on investment opportunities available. However, the Company does not foresee any major shift in its investment concentration in the near term. As a result, the Company is subject to the risks inherent in the ownership of, or lending secured by, real estate in general, such as fluctuations in market conditions, occupancy and rental rates, the inability to achieve economic rental rates or sales prices, competition from other properties, the supply of and demand for property, changes in interest rates and the availability, cost and other terms related to the financing or refinancing of specific properties. A general decline in the value of real estate in those markets where the Company holds mortgage security could result in an increase in the default rate on the Company's real estate loans and/or diminish the value of the security for such loans, which would have a material adverse effect on the Company's business, operations and financial results.

Mortgage Broker Services

The Company relies on third party mortgage brokers to originate and assist in the evaluation of most of its real estate lending opportunities. In particular, a single mortgage broker has been responsible for originating and assisting in the evaluation of a substantial portion of the Company's current real estate loans. The Company intends to further develop its internal origination and evaluation capabilities, but there can be no assurances that it will be able to do so. If the Company loses the services of its existing mortgage broker and cannot replace these services the Company's ability to successfully invest in real estate loans may be adversely affected.

Mortgage brokers are generally compensated on a commission basis and may therefore recommend real estate loans to management regardless of whether it would be in the Company's best interest to make such loans. If management is unable to independently evaluate real estate lending opportunities suggested by the Company's mortgage brokers, there is an increased risk that the Company will make loans that are ultimately not recovered.

Certain of the Company's activities in connection with real estate lending and syndication may require it to be registered as a mortgage broker under the *Mortgage Brokers Act* (British Columbia). The Company is not yet registered as a mortgage broker and is in the process of doing so to ensure compliance with that Act. If registration is not possible, the Company's ability to invest in or syndicate real estate loans may be adversely affected.

Ability to Manage Growth

The size of the Company's loan portfolio and the number of its investments has grown rapidly since it began to expand its merchant banking business in 2002 and the Company intends to continue to expand the size of its loan portfolio and the number of its investments. In order to effectively deploy its capital and monitor its loans and investments in the future, the Company will need to retain additional personnel and augment, improve or replace existing systems and controls. As a result, there can be no assurances that the Company will be able to effectively manage its growth and, if it is unable to do so, the Company's business, financial conditions and results could be adversely affected.

Liabilities Associated With Historical Mineral Properties

Previously, the Company's activities included the acquisition, exploration, financing, development and operation of mineral properties and the financing of junior exploration companies. Although the Company has divested substantially all of its former mineral properties, there is a risk that the Company may be exposed to liabilities in the future in connection with its former ownership of these properties.

EXPERTS

Certain legal matters relating to the issue and sale of the Offered Shares will be passed upon on behalf of the Company by Stikeman Elliott LLP and on behalf of the Underwriters by Goodmans LLP. As of the date hereof, the partners and associates of each of Stikeman Elliott LLP and Goodmans LLP beneficially own, directly and indirectly, less than 1% of the outstanding common shares of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants, 250 Howe Street - 7th Floor, Vancouver, British Columbia V6C 3S7.

The transfer agent and the registrar of the Common Shares is Computershare Investor Services Inc., located at 510 Burrard Street, 2nd Floor, Vancouver, British Columbia V6C 3B9.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the short form prospectus of Quest Capital Corp. (the **"Company"**) dated ●, 2005 relating to the issue and sale of ● common shares of the Company. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned short form prospectus of our auditors' report to the shareholders of the Company on the consolidated balance sheets of the Company as at December 31, 2004 and 2003 and the consolidated statements of retained earnings/deficit, earnings/losses and cash flows for the years then ended. Our report thereon is dated February 18, 2005.

(signed) ●

Chartered Accountants
Vancouver, British Columbia, Canada

August ●, 2005

CERTIFICATE OF THE COMPANY

August 3, 2005

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, and the Northwest Territories. For the purpose of the Province of Québec, this simplified prospectus, as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

(Signed) BRIAN E. BAYLEY
Chief Executive Officer

(Signed) SUSAN NEALE
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) A. MURRAY SINCLAIR
Managing Director

(Signed) ROBERT M. BUCHAN
Executive Chairman

CERTIFICATE OF THE UNDERWRITERS

August 3, 2005

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, and the Northwest Territories. For the purpose of the Province of Québec, to our knowledge, this simplified prospectus, as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

DESJARDINS SECURITIES INC.	**CANACCORD CAPITAL CORPORATION**
By: (Signed) JEFFREY F. OLIN	By: (Signed) RONALD RIMER