

CERTIFICATE

I, Harvey Lim, being the Secretary of Hilton Petroleum Ltd. (the "Company") HEREBY CERTIFY that the following is a true copy of a resolution passed by the board of directors of the Company on the 15th day of June, 2000 and that as of the date hereof the following resolution has not been amended or rescinded and remains in full force and effect:

"RIGHTS OFFERING

WHEREAS the Company proposes to conduct a rights offering (the "Rights Offering") to its common shareholders whereby each shareholder will receive, for each common share of the Company held by them, a right (the "Right") entitling the holder to subscribe for one unit (the "Unit") for each seven Rights held at a price equal to that price which is 10% below the closing market price of the Company's common shares on the date the Rights stop trading on the Canadian Venture Exchange ("CDNX"), but in any event not less than \$2.25 (such lower price being the "Exercise Price");

AND WHEREAS each Unit will consist of one common share and one transferable share purchase warrant (the "Warrant"). Two Warrants will entitle the holder to purchase one additional common share for a period of two years from closing at a price of the Exercise Price plus \$0.25 during the first year and at a price of the Exercise Price plus \$0.50 during the second year;

AND WHEREAS Canaccord Capital Corporation (the "Agent") pursuant to an Agency and Standby Guarantee Agreement has agreed to provide a standby guarantee whereby the Agent has agreed to guarantee the exercise of a minimum subscription of 2,000,000 Units under the Rights Offering. In addition, the Agent has agreed to act as soliciting dealer for the Rights Offering. In consideration for these services, the Agent will receive a corporate finance fee of \$50,000, an administration fee of \$5,000 and reimbursement of its reasonable expenses. The Agent will also receive Agent's Warrants entitling the Agent to purchase up to 200,000 common share for a period of two years from the date which is five business days after the date of closing of the Rights Offering at a price equal to the Exercise Price plus \$0.25 in the first year and the Exercise Price plus \$0.50 in the second year. Finally, the Agent will receive a cash commission of 5.5% of the gross proceeds received through the facilities of the Agent.

BE IT RESOLVED THAT:

1. In order to raise funds for the Company's oil and gas exploration programs and general corporate purposes, the Company issue to each holders of its common shares, one Right for each common share held, seven Rights entitling the holder resident in the province of British Columbia, Alberta, Saskatchewan, Ontario or Quebec (the "Eligible Jurisdictions") to purchase one Unit at a price which is 10% below the closing market price of the Company's common shares on the date the Rights stop trading on the CDNX, but in any event not less than \$2.25 (such lower price being the "Exercise Price") prior to the expiry date of the Rights Offering.
2. The record date for the Rights Offering be set on such date to be the earliest date reasonably permissible under applicable securities legislation and the rules of the CDNX.
3. The commencement date, trading expiry date and offering expiry date (the "Expiry Date") for the Rights Offering be set on such dates being the earliest dates permissible under applicable securities legislation and the rules of the CDNX, subject to agreement by the Agent.
4. The form of draft Rights Offering Circular of the Company circulated to the Directors be and is hereby approved with any and all such additions, omissions and amendments thereto as may be approved by any one director or officer of the Company, such approval to be conclusively evidenced by the signing of the final Rights Offering Circular, and the Chief Executive Officer

and any other two directors of the Company be and are hereby authorized to execute the final Rights Offering Circular on behalf of the Company and to cause the Rights Offering Circular and supporting documents to be submitted to the securities commissions in the Eligible Jurisdictions and the CDNX for final approval.

5. The form of Agency and Standby Guarantee Agreement (the “Agency and Standby Guarantee Agreement”) between the Company and the Agent, a copy of which has circulated to the directors, pursuant to which the Agent has agreed to guarantee the exercise of a minimum subscription of 2,000,000 Units under the Rights Offering and act as soliciting dealer for the Rights Offering, in consideration of the Company paying the Agent a corporate finance fee of \$50,000, an administration fee of \$5,000, a cash commission of 5.5% of the gross proceeds received through the facilities of the Agent, reimbursement of the Agent’s reasonable expenses and Agent’s Warrants entitling the Agent to purchase up to 200,000 common share for a period of two years from the date of closing of the Rights Offering at a price equal to the Exercise Price plus \$0.25 in the first year and the Exercise Price plus \$0.50 in the second year, be and is hereby approved with any and all such additions thereto, omissions therefrom and amendments thereto as may be approved by any director or officer of the Company, such approval to be conclusively evidenced by the signing of the final form of Agency and Standby Guarantee Agreement and that any two directors or officers of the Company be and the same are hereby authorized to execute and deliver, the final Agency and Standby Guarantee Agreement.
6. The forms of Rights Certificate and Warrant Certificate attached hereto as Schedules “A” and “B” and the Terms and Conditions governing the Warrants attached hereto as Schedule “C”, be and the same are hereby approved with any and all additions thereto, omissions therefrom and amendments thereto as may be approved by any director or officer of the Company, such approval to be conclusively evidenced by the signing of the final forms of such certificates by any two directors or officers of the Company, and any two directors or officers of the Company be and they are hereby authorized to execute and deliver such certificates on behalf of the Company.
7. Effective the Record Date, the Company issue a total of 27,503,961 Rights being one Right for each of its 27,503,961 issued common shares held by the registered holders on the Record Date, such Rights entitling the holders resident in the Eligible Jurisdictions to subscribe for one Unit, and that any one director or officer of the Company be and is hereby authorized to execute and deliver a treasury order authorizing Montreal Trust Company of Canada (“Montreal Trust”) to issue Rights Certificates evidencing the Rights and to forward the Rights Certificates to the shareholders with a copy of the Rights Offering Circular.
8. The Company reserve for allotment and issue a total of 3,929,137 Units, each Unit consisting of one common share and one transferable share purchase warrant, for issuance upon the exercise of the foregoing Rights in full and, subject to receipt by Montreal Trust of subscriptions for the Units being offered pursuant to the Rights Offering together with payment in full of the subscription price for the number of Units to be issued, all in accordance with the terms of the final Rights Offering Circular of the Company disclosing the Rights Offering, the Company allot and issue up to a maximum of 3,929,137 common shares and 1,964,569 Warrants.
9. any two directors of the Company be and are hereby authorized to execute a treasury order with respect to the issuance of up to a maximum of 3,929,137 common shares and 1,964,569 Warrants authorizing Montreal Trust to issue the common shares and the Warrants subscribed for pursuant to the Rights Offering and to deliver certificates representing the common shares and the Warrants to the subscribers, all in accordance with the terms and conditions governing the Rights Offering as set out in the Rights Offering Circular of the Company.

10. The Company hereby reserves for allotment and issue a total of 1,964,569 common shares for the exercise of the 1,964,569 Warrants issued pursuant to the Rights Offering.
11. The Company hereby creates the Agent's Warrants entitling the Agent to purchase up to 200,000 common shares of the Company for a period of two years at a price of the Exercise Price plus \$0.25 in the first year and at a price of the Exercise Price plus \$0.50 in the second year.
12. The Company hereby reserves for allotment and issue 200,000 common shares for the exercise of the Agent's Warrants in full and hereby fixes the consideration at a price of the Exercise Price plus \$0.25 in the first year and at a price of the Exercise Price plus \$0.50 in the second year.
13. The form of non-transferable share purchase warrant attached hereto as Schedule "D" be and is hereby approved as the form of the certificate to be issued to the Agent, with any and all additions thereto, omissions therefrom and amendments thereto as may be approved by any director or officer of the Company, such approval to be conclusively evidenced by the signing of the final form of certificate, and any two directors or officers of the Company be and are hereby authorized to execute the final form of the certificate and to cause them to be delivered to the Agent.
14. Subject to receipt from time to time by Montreal Trust of notice of the exercise of the Agent's Warrants together with a certified cheque or cash in payment of the purchase price for the number of share then being subscribed for, such number of shares subscribed for be and the same are hereby allotted and issued as fully paid and non-assessable shares to the Agent at a price of the Exercise Price plus \$0.25 in the first year and at a price of the Exercise Price plus \$0.50 in the second year, up to a maximum of 200,000 common shares, and that Montreal Trust be and it is hereby authorized to issue certificates representing the share upon exercise of the Agent's Warrants and to deliver the share certificates representing the number of shares so subscribed for the Agent.
15. Any two directors and/or officers of the Company be and they are hereby authorized and directed to do and perform all such acts and things, sign all such documents and take all such other steps as may be necessary, as counsel of the Company be advise, or which in the opinion of such officers or directors may be considered convenient or proper, to carry out the purpose and intent of these resolutions."

CERTIFIED at Vancouver in the Province of British Columbia, this 15th day of June, 2000.

(signed) "*Harvey Lim*"

HARVEY LIM