This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, broker, bank manager, lawyer or other professional advisor. The Offer has not been approved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offence.

JFC
Jaguar Financial

October 8, 2008

NOTICE OF EXTENSION AND VARIATION

of the

OFFER TO PURCHASE FOR CASH

up to 31,620,495 Common Shares

of

ROYAL LASER CORP.

by

JAGUAR FINANCIAL CORPORATION

OUR OFFER HAS BEEN EXTENDED AND IS NOW OPEN FOR ACCEPTANCE UNTIL 5:00 P.M. (TORONTO TIME) ON FRIDAY, NOVEMBER 7, 2008 UNLESS WITHDRAWN OR FURTHER EXTENDED.

We hereby give notice that we have extended the Expiry Time of our offer to purchase up to 31,620,495 common shares of Royal Laser Corp ("Royal Laser" or the "Company") set forth in the Offer dated September 3, 2008, and the accompanying take-over bid circular (the "Original Offer"). The Original Offer, as amended by this Notice, is herein referred to as the "Offer". Capitalized terms used herein but not defined in this Notice have the meanings set out in the Original Offer.

As a result of a major decline in markets generally and in the share price of Royal Laser from a closing price of $0.72 on September 3, 2008, the date of the Original Offer, to a closing price of $0.45 on October 7, 2008, the Offeror is varying the terms of the Offer by reducing the Offer price per Common Share from $0.80 to $0.63 per Common Share. If the maximum number of Common Shares are tendered to the Offer and not withdrawn, the cost to take up and pay for such Common Shares will be approximately $19,920,911. As disclosed in the Original Offer, the Offeror has entered into a commitment agreement with a private lender pursuant to which the lender has agreed to lend the Offeror $25 million in order to fund the purchase price for the Royal Laser Shares, subject to the same conditions as the Offer.

On October 8, 2008, the Offeror announced that it was varying and extending the Offer and delivered notice to Equity Transfer and Trust Company (the "Depositary") in respect thereof.

Shareholders who have validly deposited and not withdrawn their Common Shares need take no further action to accept the Offer. Shareholders who wish to accept the Offer must properly complete and duly execute the Letter of Acceptance and Transmittal (printed on blue paper) that accompanied the Original Offer or a manually executed facsimile thereof and deposit it, together with certificates representing their Shares, in accordance with the instructions in the Letter of Acceptance and Transmittal. Alternatively, Shareholders may follow the procedures for

(i) book-entry transfer of Shares set forth in Section 3 of the Original Offer, "Manner of Acceptance — Book-Entry Transfer in the United States" or (ii) guaranteed delivery set forth in Section 3 of the Original Offer, "Manner of Acceptance — Procedure for Guaranteed Delivery", using the accompanying Notice of Guaranteed Delivery (printed on green paper) or a facsimile thereof. Persons whose Shares are registered in the name of a broker, dealer, bank, trust company or other nominee should contact such registered holder for assistance if they wish to accept the Offer.

The Offer is made only for Shares and is not made for any options, warrants or other rights to acquire Shares. Holders of such options, warrants or other rights that wish to participate in the Offer should exercise their rights to acquire Shares and deposit the resulting Shares to the Offer.

Questions and requests for assistance may be directed to Northern Securities Inc., the Dealer Manager for the Offer or to the Depositary. Additional copies of this document, the Original Offer, the Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained without charge from the Dealer Manager or Depositary at their respective addresses shown on the last page of this document.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of, Shareholders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The Offer is made for the securities of a Canadian issuer. The Offer is subject to applicable disclosure requirements in Canada. Shareholders should be aware that such requirements are different from those in the United States. Financial information regarding the Company included or referred to herein has been derived from publicly available financial statements which have been prepared in accordance with Canadian generally accepted accounting principles and thus may not be comparable to financial statements of United States companies.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that each of the Company and the Offeror is incorporated and located outside the United States and that some of their respective officers and directors are non-residents of the United States, that the Dealer Manager and all of the experts named in the Original Offer are non-residents of the United States, and that all or a substantial portion of the assets of the Offeror and said persons may be located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities law. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's jurisdiction.

All dollar references in the Offer are to Canadian dollars, unless otherwise indicated. On October 7, 2008, the noon rate of exchange as reported by the Bank of Canada was U.S.$1.00 = Cdn.$1.1058.

FORWARD-LOOKING STATEMENTS

This Notice and some of the information in the Original Offer contain forward-looking statements that are subject to risks and based on a number of assumptions and other factors. See "FORWARD-LOOKING STATEMENTS" in the Original Offer.

NOTICE OF EXTENSION AND VARIATION

October 8, 2008

TO: HOLDERS OF COMMON SHARES OF ROYAL LASER CORP.

By notice to the Depositary dated October 8, 2008, and as set forth in this Notice, the Offeror, has extended the expiry time of our offer to purchase up to 31,620,495 of the issued and outstanding common shares (the "Shares") of Royal Laser Corp. ("Royal Laser" or the "Company") at a price of Cdn. $0.63 per Share from 5:00 P.M. (Toronto Time) October 9, 2008 to **5:00 P.M. (Toronto Time) Friday November 7, 2008**.

The Offeror is lowering its Offer price from $0.80 per Common Share to $0.63 per Common Share as a result of a major decline in markets generally and in the share price of Royal Laser from a closing price of $0.72 on September 3, 2008, the date of the Original Offer, to a closing price of $0.45 on October 7, 2008. The Offeror also notes that Wellington West Capital Markets Inc. recently lowered its target for Royal Laser's shares from $1.25 to $0.95 per share, a drop of 24%.

Except as otherwise set forth herein, the terms and conditions previously set forth in the Original Offer and the related Letter of Transmittal and Notice of Guaranteed Delivery continue to be applicable in all respects. All references to the "Offer" in the Original Offer, the Letter of Transmittal, the Notice of Guaranteed Delivery and this Notice mean the Original Offer as amended hereby, and all references in such documents to the "Circular" mean the Original Circular as amended hereby. Unless the context requires otherwise, capitalized terms used herein but not defined in this Notice have the meanings set out in the Original Offer.

WITHDRAWAL OF DEPOSITED SHARES

Shareholders have the right to withdraw Shares deposited pursuant to the Offer and not taken up under the circumstances and in the manner described in Section 6 of the Offer, "Withdrawal of Deposited Shares".

PAYMENT FOR DEPOSITED SHARES

The Offeror will take up any additional Shares validly deposited under the Offer (and not withdrawn pursuant to Section 6 of the Offer, "Withdrawal of Deposited Shares") promptly after the Expiry Time, but not later than 10 calendar days after the Expiry Time and will pay for the Common Shares taken up, as soon as possible, and in any event not later than the earlier of (1) the tenth day after the Expiry Time and (2) three business days after they are taken up, provided the Offeror will take up and pay for any such additional Shares not later than 10 calendar days after such deposit. See Section 7 of the Offer, "Payment for Deposited Shares".

OFFEREES' STATUTORY RIGHTS

Securities legislation of the provinces and territories of Canada provides securityholders of the Company with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages if there is a misrepresentation in a circular or notice that is required to be delivered to those securityholders. However, such rights must be exercised within prescribed time limits. Securityholders should refer to the applicable provisions of the securities legislation of their province or territory for the particulars of those rights or consult a lawyer.

DIRECTORS' APPROVAL

The contents of this Notice have been approved and the sending thereof to the Shareholders has been authorized by the board of directors of the Offeror.

CERTIFICATE OF THE OFFEROR

DATED: **October 8, 2008**

The foregoing, together with the Original Offer dated September 3, 2008, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. In addition, the foregoing does not contain any misrepresentation likely to affect the value or the market price of the common shares which are the subject of the Offer.

(Signed) VIC ALBOINI
Chairman and Chief Executive Officer

(Signed) DOUG CHORNOBOY
Senior Vice President and Chief Financial Officer

On behalf of the board of directors

(Signed) RICHARD PINKERTON
Director

(Signed) JOSEPH PANETTA
Director

The Office of the Depositary is:

EQUITY TRANSFER & TRUST COMPANY

By Registered Mail, Hand or Courier:
200 University Ave.
4th Floor
Toronto Ontario
M5H 4H1
Attention: Corporate Actions

For Information:

Telephone: 1-866-393-4891 (toll-free)
416-361-0152 (local Toronto)
E-mail: info@equitytransfer.com
Facsimile: 416-361-0470

The Dealer Manager for the Offer is:

NORTHERN SECURITIES INC.

145 King Street West
Suite 2020
Toronto, Ontario
M5H 1J8
Telephone: 416-644-8100
Toll-Free at 1-888-675-7602
E-mail: offer@northernsi.com
Facsimile: 416-644-0271

Attention:

Craig Rogers	416-644-8187
Matthew Cipolla	416-644-8147
Jamie Spratt	416-644-8129
Kyler Wells	416-644-8177

Any questions and requests for assistance or additional copies of the Offer and Circular, the Letter of Acceptance and Transmittal and the Notice of Guaranteed Delivery may be directed by the Shareholders to the Depositary or the Dealer Manager at their respective telephone numbers and addresses set out above. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance.