

CENTRAL FUND OF CANADA LTD  
Form SUPPL  
November 10, 2009

[QuickLinks](#) -- Click here to rapidly navigate through this document

Filed pursuant to General Instruction ILL of Form F-10. File No. 333-161635

PROSPECTUS SUPPLEMENT  
TO THE SHORT FORM BASE SHELF PROSPECTUS DATED SEPTEMBER 8, 2009

## CENTRAL FUND OF CANADA LIMITED

**U.S.\$13.56**

### **16,975,000 Class A non-voting, fully participating shares**

Central Fund of Canada Limited ("Central Fund" or the "Company") is hereby qualifying for distribution (the "Offering") 16,975,000 Class A non-voting, fully participating shares of the Company (the "Class A Shares") at a price of U.S.\$13.56 per Class A Share (the "Offering Price") pursuant to an underwriting agreement dated November 10, 2009 (the "Underwriting Agreement") between Central Fund and CIBC World Markets Inc. and Credit Suisse Securities (Canada), Inc. (collectively, the "Underwriters"). The Offering Price was determined by negotiation between Central Fund and the Underwriters, and in the context of the market. In certain circumstances, the Underwriters may offer the Class A Shares at a price lower than the Offering Price in the Prospectus Supplement. See "Plan of Distribution".

The outstanding Class A Shares are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbols "CEF.A" (Cdn.\$) and "CEF.U" (U.S.\$) and on the NYSE Amex LLC (formerly NYSE Alternext US) ("NYSE Amex") under the symbol "CEF". On November 9, 2009, the closing prices of the Class A Shares were Cdn.\$14.94 per Class A Share on the TSX and U.S.\$14.15 per Class A Share on the NYSE Amex. The TSX has conditionally approved the listing of these securities. Listing on the TSX is subject to the Company fulfilling all of the requirements of the TSX on or before February 5, 2010. Listing on the NYSE Amex will be subject to the issuer fulfilling all of the listing requirements of the NYSE Amex.

**This offering is made by a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this prospectus supplement in accordance with the disclosure requirements of Canada. Prospective investors should be aware that such requirements are different from those of the United States. Financial statements included or incorporated herein have been prepared in accordance with Canadian generally accepted accounting principles, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies.**

**Prospective investors should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be fully described herein.**

**The enforcement by investors of civil liabilities under the federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of Alberta, that some or all of its officers and directors may be residents of a foreign country, that some or all of the underwriters or experts named in the registration statement may be residents of a foreign country, and that all or a substantial portion of the assets of the Company and said persons may be located outside the United States.**

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

---

**In this Prospectus Supplement and the accompanying Prospectus, except where indicated, all dollar amounts are in U.S. dollars.**

**See "Risk Factors" beginning on page 19 of the accompanying Prospectus for a discussion of certain considerations relevant to an investment in the Class A Shares offered hereby. In the opinion of Fraser Milner Casgrain LLP, counsel to the Company, the Class A Shares will, on the date of closing, be qualified investments for certain funds, plans and accounts under the *Income Tax Act* (Canada) (the "Tax Act") as set out, and subject to the qualifications provided under, the heading "Eligibility for Investment" on page S-5 of this Prospectus Supplement.**

---

---

**Price: U.S.\$13.56 per Class A Share**

---

	<b>Price to the Public</b>	<b>Underwriters' Fee</b>	<b>Proceeds to the Company<sup>(1)</sup></b>
Per Class A Share	U.S.\$13.56	U.S.\$0.5424	U.S.\$13.0176
Total <sup>(2)</sup>	U.S.\$230,181,000	U.S.\$9,207,240	U.S.\$220,973,760

Notes:

- (1) Before deducting expenses of this Offering, estimated to be U.S.\$600,000, which, together with the Underwriters' Fee, will be paid by the Company from the proceeds of the Offering.
- (2) For Class A Shares sold in the United States or in Canada, the Price to the Public, the Underwriters' Fee and Proceeds to the Company as well as amounts related to the Offering are payable in U.S. dollars.

The Underwriters, as principals, conditionally offer the Class A 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 the heading "Plan of Distribution" beginning on page S-7 of this Prospectus Supplement and subject to the approval of certain legal matters on behalf of the Company by Fraser Milner Casgrain LLP and Dorsey & Whitney LLP and on behalf of the Underwriters by Cassels Brock & Blackwell LLP and Shearman & Sterling LLP.

Subscriptions for the Class A Shares will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of this Offering will take place on November 17, 2009 or on such other date as the Company and the Underwriters may agree, but in any event not later than November 30, 2009, and that certificates representing the Class A Shares will be available for delivery on or about the closing of the Offering.

On November 9, 2009, the noon rate of exchange as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was \$1.00 Canadian equals U.S.\$0.9464.

Subject to applicable laws and in connection with the Offering, the Underwriters may effect transactions intended to fix or stabilize or maintain the market price of the Class A Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. Please refer to the heading "Plan of Distribution" beginning on page S-7 of this Prospectus Supplement.

The Company's head office and principal place of business is located at Hallmark Estates, Suite 805, 1323-15th Avenue S.W., Calgary, Alberta, T3C 0X8. Investor inquiries may be directed to The Central Group Alberta Ltd.'s Investor Inquiries Office, 55 Broad Leaf Crescent, P.O. Box 10050, Ancaster, Ontario, L9K 1P2, Telephone: 1-905-648-7878.

---

## TABLE OF CONTENTS

	Page
<b>Prospectus Supplement</b>	
IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS	S-3
FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES	S-3
EXCHANGE RATES	S-3
DOCUMENTS INCORPORATED BY REFERENCE	S-3
ADDITIONAL INFORMATION	S-5
ELIGIBILITY FOR INVESTMENT	S-5
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	S-5
THE COMPANY	S-6
SUMMARY DESCRIPTION OF THE COMPANY	S-6
SHARE CAPITAL OF THE COMPANY	S-7
PLAN OF DISTRIBUTION	S-7
USE OF PROCEEDS	S-8
INCOME TAX CONSIDERATIONS	S-9
ERISA AND RELATED CONSIDERATIONS	S-9
ENFORCEMENT OF CERTAIN CIVIL LIABILITIES	S-9
RISK FACTORS	S-9
LEGAL MATTERS	S-9
AUDITORS, TRANSFER AGENTS AND REGISTRARS	S-9
EXPERTS	S-10
DOCUMENTS FILED AS PART OF THE U.S. REGISTRATION STATEMENT	S-10
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	S-11
<b>Prospectus</b>	
FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES	2
EXCHANGE RATES	2
DOCUMENTS INCORPORATED BY REFERENCE	3
ADDITIONAL INFORMATION	4
ELIGIBILITY FOR INVESTMENT	5
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	5
THE COMPANY	5
SUMMARY DESCRIPTION OF THE COMPANY	5
PRIOR SALES	6
DESCRIPTION OF SECURITIES BEING DISTRIBUTED	6
TRADING PRICES AND VOLUMES	8
PLAN OF DISTRIBUTION	9
USE OF PROCEEDS	10
CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	10
UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS	13
ERISA AND RELATED CONSIDERATIONS	18
ENFORCEMENT OF CERTAIN CIVIL LIABILITIES	19
RISK FACTORS	19
LEGAL MATTERS	22
AUDITORS, TRANSFER AGENTS AND REGISTRARS	23
EXPERTS	23
DOCUMENTS FILED AS PART OF THE U.S. REGISTRATION STATEMENT	23
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	24

**IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT  
AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates information contained in the accompanying Prospectus and the documents incorporated by reference therein. The second part, the accompanying Prospectus dated September 8, 2009, gives more general information.

Only the information contained or incorporated by reference into this Prospectus Supplement and the accompanying Prospectus should be relied upon. The Company has not authorized any other person to provide different information. If anyone provides different or inconsistent information, it should not be relied upon. The Class A Shares may not be offered or sold in any jurisdiction where the offer or sale is not permitted. Unless otherwise indicated, the statistical, operating and financial information contained in this Prospectus Supplement is presented as of the date of this Prospectus Supplement. It should be assumed that the information appearing in this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein or into the Prospectus is accurate only as of their respective dates. The Company's affairs, financial condition and prospects may have changed since those dates.

**FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES**

Unless otherwise indicated, financial information in this Prospectus Supplement has been prepared in accordance with Canadian generally accepted accounting principles. The financial information of the Company included herein is presented in U.S. dollars. In this Prospectus Supplement, except where indicated, all dollar amounts are in U.S. dollars.

**EXCHANGE RATES**

The following table sets forth, for the periods indicated, certain information with respect to exchange rates for the Canadian dollar expressed in U.S. dollars, namely the highest rate, lowest rate, rate at the end of each period and the average of such exchange rates based upon the noon buying rates as reported by the Bank of Canada:

	Twelve months ended October 31 (U.S.\$)		
	2009	2008	2007
High	\$0.9716	\$1.0905	\$1.0527
Low	\$0.7692	\$0.7726	\$0.8437
Period End	\$0.9282	\$0.8220	\$1.0527
Average	\$0.8551	\$0.9732	\$0.9089

The noon rate of exchange on November 9, 2009 as reported by the Bank of Canada for the conversion of Canadian dollars into U.S. dollars was \$1.00 Canadian equals U.S.\$0.9464.

**DOCUMENTS INCORPORATED BY REFERENCE**

This Prospectus Supplement is deemed, as of the date hereof, to be incorporated by reference into the accompanying Prospectus only for the purposes of the offering of Class A Shares offered hereby. Other documents are also incorporated or deemed to be incorporated by reference into the accompanying Prospectus, and reference should be made to the accompanying Prospectus for full details.

**Any documents of the type required by National Instrument 44-101 to be or deemed to be incorporated by reference (other than any confidential Material Change Reports) and all prospectus supplements disclosing additional or updated information filed by the Company pursuant to the requirements of applicable securities legislation in Canada and the United States subsequent to the date of this Prospectus Supplement and prior to completion or withdrawal of this Offering, will be deemed to be incorporated by reference into this Prospectus Supplement. The documents incorporated by reference into the accompanying Prospectus contain meaningful and material information relating to the Company, and prospective investors in Class A Shares should review all**

**information contained in this Prospectus Supplement, the Prospectus and the documents incorporated by reference before making an investment decision.**

**Any statement contained in the Prospectus, this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference into the Prospectus or the Prospectus Supplement for the purposes of the Offering shall be deemed to be modified or superseded for the purposes of the Prospectus and this Prospectus Supplement, to the extent that a statement contained herein or in any subsequently filed document that also is 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 such a modifying or superseding statement shall not be deemed an admission for any purposes 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 is required to be stated or that is 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 the Prospectus or this Prospectus Supplement.**

Upon a new Annual Information Form, Information Circular and annual Audited Financial Statements, together with the Auditors' Report thereon and the Management's Discussion and Analysis contained therein being filed by the Company with and, where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus Supplement, the previous Annual Information Form, the previous Information Circular, the previous annual Audited Financial Statements and all interim Financial Statements, quarterly Management's Discussion and Analysis and Material Change Reports filed prior to the commencement of the Company's financial year in which the new Annual Information Form was filed, no longer shall be deemed to be incorporated by reference into this Prospectus Supplement for the purpose of future offers and sales of Class A Shares hereunder.

Copies of documents incorporated herein by reference may be obtained upon request, without charge, from the President of the Company at The Central Group Alberta Ltd.'s Investor Inquiries' Office, 55 Broad Leaf Crescent, P.O. Box 10050, Ancaster, Ontario L9K 1P2, Telephone: 1-905-648-7878, and are also available electronically at [www.sedar.com](http://www.sedar.com).

### ADDITIONAL INFORMATION

The Company has filed with the SEC a registration statement on Form F-10 of which this Prospectus Supplement and the Prospectus form a part. This Prospectus Supplement does not contain all the information set out in the registration statement. For further information about the Company and its securities, please refer to the registration statement, including the exhibits to the registration statement.

The Company is subject to the information requirements of the *United States Securities Exchange Act of 1934*, as amended (the "U.S. Exchange Act") and applicable Canadian securities legislation and, in accordance therewith, the Company files reports and other information with the SEC and with the securities regulatory authorities of certain of the provinces and territories of Canada. Under a multijurisdictional disclosure system adopted by the United States and Canada, the Company generally may prepare these reports and other information in accordance with the disclosure requirements of Canada. These requirements are different from those of the United States. As a foreign private issuer, the Company is exempt from the rules under the U.S. Exchange Act prescribing the furnishing and content of proxy statements, and the Company's Officers, Directors and Principal Shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the U.S. Exchange Act. In addition, the Company is not required to publish financial statements as promptly as United States companies.

The reports and other information filed by the Company with the SEC may be read and copied at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Copies of the same documents can also be obtained from the public reference room of the SEC in Washington by paying a fee. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website ([www.sec.gov](http://www.sec.gov)) that makes available reports and other information that the Company files electronically with it, including the registration statement that the Company has filed with respect hereto.

Copies of reports, statements and other information that the Company files with the Canadian provincial and territorial securities regulatory authorities are electronically available from the Canadian System for Electronic Document Analysis and Retrieval ([www.sedar.com](http://www.sedar.com)), which is commonly known by the acronym "SEDAR". Certain other information about the Company may also be available for inspection at the offices of the TSX.

### ELIGIBILITY FOR INVESTMENT

In the opinion of Fraser Milner Casgrain LLP, counsel to the Company, provided the Class A Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX), the Class A Shares offered hereunder will be, on the date of issue, qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts ("TFSA") all as defined in the Tax Act.

It should be noted that a holder of Class A Shares will be subject to a penalty tax in respect of the Class A Shares held in a TFSA if the Class A Shares are a "prohibited investment" as defined in the Tax Act for the purposes of the TFSA. Generally, the Class A Shares will not be a prohibited investment for a TFSA provided that the holder of the TFSA deals at arm's length with the Company for purposes of the Tax Act and does not have a significant interest (within the meaning of the Tax Act) in the Company or a corporation, partnership or trust, with which the Company does not deal at arm's length for purposes of the Tax Act. Holders are advised to consult their own tax advisors as to whether the Class A Shares will be a "prohibited investment" in their particular circumstances.

### SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements, trend analysis and other information contained in this Prospectus Supplement and the documents incorporated herein relative to the Company's assets and trends in revenue and anticipated expense levels, as well as other statements about anticipated future events or results, constitute forward-looking statements. Forward-looking statements often, but not always, are identified by use of the words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" or variations (including negative variations)

of such words, or state that certain actions, events or results "may", "will", "should", "could" or "might" occur or be taken or achieved and other similar expressions. Forward-looking statements are subject to business and economic risks and uncertainties and other factors that could cause actual results to differ materially from those contained in the forward looking statements. Forward-looking statements are based on estimates and opinions of Central Fund's Senior Executive Officers at the date the statements are made. Some of these risks, uncertainties and other factors are described in the accompanying Prospectus under the heading "Risk Factors". The Company does not undertake any obligation, except as required by applicable securities law, to update forward-looking statements even if circumstances or Central Fund's Senior Executive Officers' estimates and opinions should change. Investors should not place undue reliance on forward-looking statements.

## THE COMPANY

Central Fund was incorporated under the laws of the Province of Ontario on November 15, 1961, as an investment holding company. On April 5, 1990, the Company was continued under the laws of the Province of Alberta.

The Company's head office and principal place of business is located at Hallmark Estates, Suite 805, 1323-15th Avenue S.W., Calgary, Alberta, T3C 0X8. Investor inquiries may be directed to The Central Group Alberta Ltd.'s Investor Inquiries Office, 55 Broad Leaf Crescent, P.O. Box 10050, Ancaster, Ontario, L9K 1P2, Telephone: 1-905-648-7878.

## SUMMARY DESCRIPTION OF THE COMPANY

Following incorporation, Central Fund operated as a specialized investment holding company investing mainly in shares and other securities of Canadian issuers, primarily with a view to capital appreciation. In September of 1983, Central Fund changed its character to a passive, non-operating, specialized investment holding company buying and holding almost entirely pure refined gold and silver bullion, primarily in international bar form, and Central Fund continues to function on this basis.

The objective of Central Fund is to provide a secure, convenient, low-cost, exchange-tradeable investment alternative for investors interested in holding an investment in gold and silver bullion for long-term appreciation. The policy of Central Fund is to invest primarily in long-term holdings of unencumbered, allocated and segregated gold and silver bullion and not to actively speculate with regard to short-term changes in gold and silver prices, thereby providing retail and institutional investors with an ability to effectively hold gold and silver bullion without the associated high transaction and handling costs and inconvenience. The investment policies established by the Board of Directors of the Company require the Company to hold at least 90% of its net assets in gold and silver bullion, primarily in international bar form, which the Company believes to be conservative. Although Central Fund's investment policies permit investing in securities, Central Fund disposed in 2006 of its nominal holding of gold and silver related shares and does not intend to invest any of its assets in such securities in the foreseeable future. As at November 9, 2009, Central Fund's net assets as denominated in U.S. dollars consisted of 54.3% gold bullion, 43.3% silver bullion and 2.4% cash and other working capital amounts.

Transactions for the purchase of bullion are generally completed with dealers acting as principals and thus are completed on a net price basis, which reflects the dealers' spread between bid and ask prices. The Company's policy is to execute all bullion transactions at the most favourable prices consistent with the best execution, considering all of the costs of the transactions, including brokerage commissions, spreads and delivery charges. An affiliate of an underwriter may act as dealer in connection with the acquisition of such bullion from time to time, on a non-exclusive basis.

Pursuant to an Amended and Restated Administration and Consulting Agreement dated November 1, 2005 (the "Administration Agreement"), The Central Group Alberta Ltd. (the "Administrator") continues to be responsible, until at least October 31, 2015, for the administration of the affairs of Central Fund. The services provided include arranging for others to give general market and economic advice to the Board of Directors of Central Fund with respect to the buying and holding of silver and gold bullion, in accordance with Central Fund's investment policies and restrictions. Under the amended fee schedule, administration and consulting fees payable to the Administrator have been reduced to 0.30% on the first \$400 million of total net assets, 0.20% on the next \$600 million of total net assets and 0.15% on total net assets exceeding one billion dollars.



## SHARE CAPITAL OF THE COMPANY

The authorized capital of the Company consists of an unlimited number of Class A Shares without nominal or par value and 50,000 common shares without nominal or par value. As at November 9, 2009, there were 196,007,713 Class A Shares and 40,000 common shares outstanding. The rights, privileges, restrictions and conditions attaching to the Class A Shares and the common shares are summarized in the accompanying Prospectus.

## PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Company has agreed to issue and sell, and the Underwriters have severally agreed to purchase, on November 17, 2009 or on such other date as may be agreed, but in any event not later than November 30, 2009, subject to compliance with all necessary legal requirements and to the terms and conditions contained in the Underwriting Agreement, 16,975,000 Class A Shares at a price of U.S.\$13.56 per Class A Share for an aggregate price of U.S.\$230,181,000, payable in cash to the Company against delivery of a certificate or certificates representing such Class A Shares. The Underwriters and their registered broker-dealer affiliates in the United States will act as book-running managers in connection with the Offering. The Underwriting Agreement provides that the Company will pay to the Underwriters a fee of U.S.\$9,207,240 equal to a cash commission of 4% of the gross proceeds from the sale of the Class A Shares in consideration of services rendered by the Underwriters in connection with the Offering. For Class A Shares sold in the United States or in Canada, the price per Class A Share and amounts related to the Offering are payable in U.S. dollars.

The Offering Price of the Class A Shares was determined by negotiation between the Company and the Underwriters, and in the context of the market.

The Company has agreed that, for a period of 90 days following the closing of this Offering, it will not sell, offer to sell, announce any intention to sell or enter into any agreement to offer or sell any equity securities of the Company or any other securities of the Company convertible into, exchangeable for, or otherwise exercisable to acquire any equity securities of the Company without the prior written consent of CIBC World Markets Inc., acting reasonably.

The Underwriters propose to offer the Class A Shares initially at the Offering Price. After a reasonable effort has been made to sell all of the Class A Shares at the Offering Price, the Underwriters may subsequently reduce and thereafter change, from time to time, the price at which the Class A Shares are offered to an amount not greater than the Offering Price. The compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Class A Shares is less than the gross proceeds paid by the Underwriters to the Company.

Neither of the Underwriters is registered as a broker-dealer under Section 15 of the U.S. Exchange Act and the Underwriters have agreed that, in connection with the Offering and subject to certain exceptions, they will not offer or sell any Class A Shares in, or to persons who are nationals or residents of, the United States other than through their United States registered broker-dealer affiliates.

The Offering is being made concurrently in all of the provinces and territories of Canada (other than the Province of Québec) and in the United States pursuant to the multijurisdictional disclosure systems implemented by securities regulatory authorities in Canada and the United States. Subject to applicable law, the Underwriters may offer the Class A Shares outside Canada and the United States.

The obligations of the Underwriters under the Underwriting Agreement may be terminated upon the occurrence of certain stated events, including any major financial occurrence of national or international consequence which seriously adversely affects the financial markets. The Underwriters are, however, obligated to take up and pay for all of the securities if any of the securities are purchased under the Underwriting Agreement.

Pursuant to policy statements of the Ontario Securities Commission, the Underwriters may not, throughout the period of distribution under this Prospectus Supplement, bid for or purchase Class A Shares. This restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual

or apparent active trading in or raising the price of such securities. 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 and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. In connection with this distribution, the Underwriters may fix or effect transactions which stabilize or maintain the market price of the Class A Shares at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriters, acting pursuant to Regulation M promulgated by the SEC, may engage in transactions, including stabilizing bids or syndicate covering transactions, which may have the effect of stabilizing or maintaining the market price of the Class A Shares at a level above that which might otherwise prevail in the open market. A "stabilizing bid" is a bid for or the purchase of Class A Shares on behalf of the Underwriters for the purpose of fixing or maintaining the price of the Class A Shares. A "syndicate covering transaction" is a bid for the purchase of Class A Shares on behalf of an Underwriter to reduce a short position incurred by the Underwriters in connection with the Offering. The Underwriters have advised Central Fund that stabilizing bids and open market purchases may be effected on the TSX and on the NYSE Amex, in the over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

The Company expects that delivery of the Class A Shares will be made against payment therefor on or about November 17, 2009, which will be the fifth business day following the date of pricing of the Class A Shares (such settlement cycle being herein referred to as "T+5"). Under Rule 15c6-1 under the U.S. Exchange Act trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, investors who wish to trade Class A Shares prior to the delivery date may be required to specify an alternate settlement cycle at the time of trade to prevent a failed settlement. Investors who wish to trade Class A Shares prior to the delivery date should consult their own advisors.

The Company has agreed to indemnify the Underwriters against certain liabilities under the United States Securities Act of 1933, as amended, and applicable Canadian securities legislation or to contribute to payments that the Underwriters may be required to make in respect of those liabilities.

The Company has applied to list the securities distributed under this Prospectus Supplement on each of the TSX and the NYSE Amex. The TSX has conditionally approved the listing of these securities. Listing on the TSX is subject to the Company fulfilling all of the requirements of the TSX on or before February 5, 2010. Listing on the NYSE Amex will be subject to the issuer fulfilling all of the listing requirements of the NYSE Amex.

In compliance with FINRA guidelines, the maximum compensation to the Underwriters in connection with the sale of the Class A Shares under this Prospectus Supplement will not exceed 8% of the aggregate total offering price to the public of the Class A Shares as set forth on the cover page of this Prospectus Supplement. It is anticipated that the maximum compensation to be received in connection with the sale of the Class A Shares will be significantly less than 8% of the total offering price.

#### **USE OF PROCEEDS**

The estimated net proceeds from this Offering, after deducting fees payable to the Underwriters and the estimated expenses of the Offering, will be approximately U.S.\$220,373,760. The Company will use substantially all of such net proceeds from this Offering to purchase gold and silver bullion in a ratio of approximately 50 ounces of silver for every one fine ounce of gold, in keeping with the policies established by the Board of Directors of the Company. The balance of the net proceeds will be used by the Company for general working capital purposes.

### **INCOME TAX CONSIDERATIONS**

The accompanying Prospectus describes certain Canadian federal income tax consequences to an investor who is a resident of Canada and to an investor who is a non-resident of Canada of acquiring, owning or disposing of any Class A Shares, including to the extent applicable, whether the distributions relating to the Class A Shares will be subject to Canadian non-resident withholding tax. Please refer to the heading "Canadian Federal Income Tax Considerations" beginning on page 10 of the accompanying Prospectus.

The accompanying Prospectus describes certain United States federal income tax consequences of the ownership or disposition of any Class A Shares by an investor who is a United States Person (within the meaning of the United States Internal Revenue Code). Please refer to the heading "United States Federal Income Tax Considerations" beginning on page 13 of the accompanying Prospectus.

### **ERISA AND RELATED CONSIDERATIONS**

The accompanying Prospectus describes certain requirements imposed on employee benefit plans and certain other plans and arrangements, including individual retirement accounts and annuities, Keogh plans, and certain collective investment funds or insurance company general or separate accounts in which such plans or arrangements are invested, that are subject to the Employee Retirement Income Security Act of 1974 and/or section 4975 of the Code. Please refer to the heading "ERISA and Related Considerations" beginning on page 18 of the accompanying Prospectus.

### **ENFORCEMENT OF CERTAIN CIVIL LIABILITIES**

The Company is governed by the *Business Corporations Act* (Alberta). All of the Company's assets are located in Canada and, as such, are outside of the United States, and all of its directors and officers, as well as certain of the experts named in this Prospectus Supplement and the accompanying Prospectus, are residents of Canada or other jurisdictions outside of the United States. As a result, it may be difficult for investors to effect service within the United States upon the Company or those directors, officers and experts who are not residents of the United States or to realize in the United States upon judgments of courts of the United States predicated upon the civil liability provisions of the United States federal securities laws.

In addition, the enforceability in Canada by a court in original actions, or in actions to enforce judgments of United States courts, of civil liabilities predicated upon United States federal securities laws is unclear.

### **RISK FACTORS**

An investment in the Class A Shares is subject to a number of risks. In addition to the other information contained in this Prospectus Supplement and the accompanying Prospectus, prospective purchasers of the Class A Shares should carefully consider the risk factors as set forth under the heading "Risk Factors" beginning on page 19 of the accompanying Prospectus.

### **LEGAL MATTERS**

Certain legal matters in connection with this Offering will be passed upon by Fraser Milner Casgrain LLP and Dorsey & Whitney LLP on behalf of the Company and by Cassels Brock & Blackwell LLP and Shearman & Sterling LLP on behalf of the Underwriters. John S. Elder, Q.C., a Counsel to Fraser Milner Casgrain LLP, is an officer and director of the Company.

As at November 9, 2009, the partners and associates of Fraser Milner Casgrain LLP, Dorsey & Whitney LLP and Cassels Brock & Blackwell LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding Class A Shares and common shares of the Company.

### **AUDITORS, TRANSFER AGENTS AND REGISTRARS**

Central Fund's auditors are Ernst & Young LLP, Chartered Accountants, Licensed Public Accountants, Toronto, Ontario.

## Edgar Filing: CENTRAL FUND OF CANADA LTD - Form SUPPL

The registrar and transfer agent for the Class A Shares of the Company in Canada is CIBC Mellon Trust Company at its principal offices in Calgary, Montreal, Toronto and Vancouver. The registrar and transfer agent for such Class A Shares of the Company in the United States is Mellon Investor Services LLC at its principal offices in Jersey City and Pittsburgh.

S-9

---

**EXPERTS**

The Audited Financial Statements incorporated by reference into this Prospectus Supplement and included in the U.S. registration statement of which this Prospectus Supplement forms a part, have been included in reliance upon the report of Ernst & Young LLP, Independent Registered Public Accounting Firm, also incorporated by reference herein, and upon the authority of such firm as experts in accounting and auditing.

Ernst & Young LLP is independent in accordance with the auditor's rules of professional conduct in each applicable jurisdiction. Ernst & Young LLP has complied with the SEC's rules on auditor independence.

**DOCUMENTS FILED AS PART OF THE U.S. REGISTRATION STATEMENT**

The following documents referred to in the accompanying Prospectus and in this Prospectus Supplement have been filed with the SEC as part of the U.S. registration statement of which this Prospectus Supplement forms a part: (i) the documents referred to under the heading "Documents Incorporated by Reference" in the accompanying Prospectus and in this Prospectus Supplement; (ii) consent of Ernst & Young LLP; (iii) consent of Fraser Milner Casgrain LLP; (iv) consent of Dorsey & Whitney LLP; (v) powers of attorney from directors and officers of the Company; and (vi) Underwriting Agreement.

S-10

---

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We have read the prospectus supplement dated November 10, 2009 to the short form base shelf prospectus dated September 8, 2009 of Central Fund of Canada Limited (the "Company") relating to the issue and sale of 16,975,000 non-voting, fully participating Class A Shares of the Company. We have complied with Canadian generally accepted auditing standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned prospectus supplement of our report to the Shareholders of the Company on the Statements of Net Assets of the Company as at October 31, 2008 and 2007 and the Statements of Income (Loss), Changes in Net Assets and Shareholders' Equity for each of the years in the three-year period ended October 31, 2008. Our report is dated December 15, 2008.

Toronto, Canada  
November 10, 2009

(Signed) ERNST & YOUNG LLP  
Chartered Accountants  
Licensed Public Accountants  
S-11

---

## CENTRAL FUND OF CANADA LIMITED

### U.S.\$1,000,000,000 Class A non-voting, fully participating shares

Central Fund of Canada Limited ("Central Fund" or the "Company") may from time to time offer and issue non-voting, fully participating Class A shares (the "Class A Shares") of the Company in an aggregate offering amount of up to U.S.\$1,000,000,000 (or its equivalent in any other currency used to denominate the Class A Shares at the time of the offering) (the "Offering") at any time during the 25-month period that this short form base shelf prospectus (the "Prospectus"), including any amendments hereto, remains valid. Central Fund is a passive, non-operating, specialized investment holding company incorporated on November 15, 1961. Central Fund buys and holds pure refined gold and silver bullion, primarily in international bar form with the objective of providing a secure, convenient, low-cost, exchange-tradeable investment alternative for investors interested in holding an investment in gold and silver bullion for long-term appreciation.

The specific terms of the Class A Shares offered will be described in one or more shelf prospectus supplements (each a "Prospectus Supplement"), including the number of Class A Shares being offered, the offering price and any other specific terms.

All shelf information omitted from this Prospectus under applicable laws will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Class A Shares to which the Prospectus Supplement pertains. A Prospectus Supplement may include specific terms pertaining to the Class A Shares that are not within the alternatives or parameters described in this Prospectus.

**This offering is made by a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Prospectus in accordance with the disclosure requirements of Canada. Prospective investors should be aware that such requirements are different from those of the United States. Financial statements included or incorporated herein have been prepared in accordance with Canadian generally accepted accounting principles, and may be subject to foreign auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies.**

**Prospective investors should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are residents in, or citizens of, the United States may not be fully described herein.**

**The enforcement by investors of civil liabilities under the federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of Alberta, that some or all of its officers and directors may be residents of a foreign country, that some or all of the underwriters or experts named in the registration statement may be residents of a foreign country, and that all or a substantial portion of the assets of the Company and said persons may be located outside the United States.**

---

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

---

The outstanding Class A Shares are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbols "CEF.A" (Cdn.\$) and "CEF.U" (U.S.\$) and on the NYSE Amex LLC (formerly NYSE Alternext US) ("NYSE Amex") under the symbol "CEF". On September 4, 2009, the closing prices of the Class A Shares were Cdn.\$14.05 per Class A Share on the TSX and U.S.\$12.93 per Class A Share on the NYSE Amex.

**In this Prospectus, except where indicated, all dollar amounts are in U.S. dollars.**

**See "Risk Factors" for a discussion of certain considerations relevant to an investment in the Class A Shares offered hereby. In the opinion of Fraser Milner Casgrain LLP, counsel to the Company, the Class A Shares will, on the date of closing, be qualified investments for certain funds, plans and**

## Edgar Filing: CENTRAL FUND OF CANADA LTD - Form SUPPL

**accounts under the Income Tax Act (Canada) (the "Tax Act") as set out, and subject to the qualifications provided under, the heading "Eligibility for Investment".**

The Company may sell the Class A Shares to or through underwriters or dealers purchasing as principals to one or more purchasers directly pursuant to applicable statutory exemptions, or through agents designated from time to time by the Company. The Class A Shares may be sold at fixed prices or non-fixed prices, such as: at prices determined by reference to the prevailing price of the Class A Shares in a specified market, at market prices prevailing at the time of sale or at prices to be negotiated with purchasers, which prices may vary between purchasers and during the period of distribution of the Class A Shares. The Prospectus Supplement relating to a particular offering of the Class A Shares will identify each underwriter, dealer or agent engaged by the Company, in connection with the offering and sale of the Class A Shares, and will set forth the terms of the offering of such Class A Shares, the method of distribution of such Class A Shares, including, to the extent applicable, the proceeds to the Company, and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material term of the plan of distribution. In connection with any offering of the Class A Shares, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions intended to stabilize or maintain the market price of the Class A Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

The offering of the Class A Shares hereby is subject to approval of certain legal matters on behalf of the Company by Fraser Milner Casgrain LLP and Dorsey & Whitney LLP. **No underwriter or dealer in Canada or the United States has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.**

The Company's head office and principal place of business is located at Hallmark Estates, Suite 805, 1323-15th Avenue S.W., Calgary, Alberta, T3C 0X8. Investor inquiries may be directed to The Central Group Alberta Ltd.'s Investor Inquiries Office, 55 Broad Leaf Crescent, P.O. Box 10050, Ancaster, Ontario, L9K 1P2, Telephone: 1-905-648-7878.

The date of this prospectus is September 8, 2009

---



## TABLE OF CONTENTS

	<b>Page</b>
FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES	2
EXCHANGE RATES	2
DOCUMENTS INCORPORATED BY REFERENCE	3
ADDITIONAL INFORMATION	4
ELIGIBILITY FOR INVESTMENT	5
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	5
THE COMPANY	5
SUMMARY DESCRIPTION OF THE COMPANY	5
PRIOR SALES	6
DESCRIPTION OF SECURITIES BEING DISTRIBUTED	6
TRADING PRICES AND VOLUMES	8
PLAN OF DISTRIBUTION	9
USE OF PROCEEDS	10
CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	10
UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS	13
ERISA AND RELATED CONSIDERATIONS	18
ENFORCEMENT OF CERTAIN CIVIL LIABILITIES	19
RISK FACTORS	19
LEGAL MATTERS	22
AUDITORS, TRANSFER AGENTS AND REGISTRARS	23
EXPERTS	23
DOCUMENTS FILED AS PART OF THE U.S. REGISTRATION STATEMENT	23
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	24

## FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES

Unless otherwise indicated, financial information in this Prospectus has been prepared in accordance with Canadian generally accepted accounting principles. The financial information of the Company included herein is presented in U.S. dollars. In this Prospectus, except where indicated, all dollar amounts are in U.S. dollars.

## EXCHANGE RATES

The following table sets forth, for the periods indicated, certain information with respect to exchange rates for the Canadian dollar expressed in U.S. dollars, namely the highest rate, lowest rate, rate at the end of each period and the average of such exchange rates based upon the noon buying rates as reported by the Bank of Canada:

	<b>Nine months ended</b>		<b>Twelve months ended</b>	
	<b>July 31 (U.S.\$)</b>		<b>October 31 (U.S.\$)</b>	
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
High	\$ 0.9268	\$ 1.0905	\$ 1.0527	\$ 0.9099
Low	\$ 0.7692	\$ 0.7726	\$ 0.8437	\$ 0.8361
Period End	\$ 0.9268	\$ 0.8220	\$ 1.0527	\$ 0.8907
Average	\$ 0.8328	\$ 0.9732	\$ 0.9089	\$ 0.8783

The noon rate of exchange on September 4, 2009 as reported by the Bank of Canada for the conversion of Canadian dollars into U.S. dollars was \$1.00 Canadian equals U.S.\$0.9184.

**DOCUMENTS INCORPORATED BY REFERENCE**

The following documents filed with the securities commission or similar authority in each of the provinces and territories of Canada and the United States Securities and Exchange Commission (the "SEC"), are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the Annual Information Form of the Company dated January 9, 2009 for the fiscal year ended October 31, 2008;
- (b) the Information Circular of the Company dated January 9, 2009 in connection with the Company's annual meeting of shareholders held on February 23, 2009;
- (c) the Audited Financial Statements of the Company as at October 31, 2008 and 2007 and for each of the years in the three year period ended October 31, 2008, together with the Auditors' Report thereon to Shareholders dated December 15, 2008 and consisting of the Statements of Net Assets as at October 31, 2008 and 2007 and the Statements of Income, Shareholders' Equity and Changes in Net Assets for each of the years in the three-year period ended October 31, 2008;
- (d) the Management's Discussion and Analysis dated December 15, 2008 for the fiscal year ended October 31, 2008;
- (e) the Unaudited Interim Financial Statements of the Company for the three and the nine months period ended July 31, 2009 with comparative figures for the corresponding periods in the immediately preceding year contained in the 3<sup>rd</sup> Quarter Interim Report to Shareholders for the three and the nine months period ended July 31, 2009 dated August 17, 2009;
- (f) the Management's Discussion and Analysis dated August 17, 2009 for the three and the nine months period ended July 31, 2009;
- (g) the Material Change Report of the Company dated February 3, 2009 relating to the completion by the Company of a public offering of 12,500,000 Class A Shares for gross proceeds of U.S.\$130,000,000;
- (h) the Material Change Report of the Company dated April 16, 2009 relating to the completion by the Company of a public offering of 20,000,000 Class A Shares for gross proceeds of U.S.\$210,000,000; and
- (i) the Material Change Report of the Company dated August 24, 2009 relating to the completion by the Company of a public offering of 11,040,000 Class A Shares for gross proceeds of U.S.\$131,376,000.

**Any documents of the type required by National Instrument 44-101 to be or deemed to be incorporated by reference (other than any confidential Material Change Reports) and all Prospectus Supplements disclosing additional or updated information filed by the Company pursuant to the requirements of applicable securities legislation in Canada and the United States subsequent to the date of this Prospectus and prior to completion or withdrawal of the Offering, will be deemed to be incorporated by reference into this Prospectus. In addition, to the extent any such document is included in any report on Form 6-K furnished to the SEC or in any report on Form 40-F filed with the SEC, such document shall be deemed to be incorporated by reference as an exhibit to the registration statement of which this Prospectus forms a part. In addition, Central Fund may incorporate by reference into the registration statement of which this Prospectus forms a part, information from documents that Central Fund files with or furnishes to the SEC pursuant to Section 13(a) or 15(d) of the *United States Securities Exchange Act of 1934*, as amended (the "U.S. Exchange Act") to the extent that such documents expressly so state. The documents incorporated by reference herein contain meaningful and material information relating to the Company, and prospective investors in Class A Shares should review all information contained in this Prospectus and the documents incorporated by reference before making an investment decision.**

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein for the purposes of the Offering shall be deemed to be modified or superseded for the purposes of this Prospectus, to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is 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 such a modifying or superseding statement shall not be deemed an admission for any purposes 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 is required to be stated or that is 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 Prospectus.**

Upon a new Annual Information Form, Information Circular and annual Audited Financial Statements, together with the Auditors' Report thereon and the Management's Discussion and Analysis contained therein being filed by the Company with and, where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, the previous Annual Information Form, the previous Information Circular, the previous annual Audited Financial Statements and all interim Financial Statements, quarterly Management's Discussion and Analysis and Material Change Reports filed prior to the commencement of the Company's financial year in which the new Annual Information Form was filed, no longer shall be deemed to be incorporated by reference into this Prospectus for the purpose of future offers and sales of Class A Shares hereunder. Upon interim Financial Statements and the accompanying Management's Discussion and Analysis being filed by the Company with the applicable securities regulatory authorities during the duration of this Prospectus, all interim Financial Statements and the accompanying Management's Discussion and Analysis filed prior to the new interim Financial Statements shall be deemed no longer incorporated into this Prospectus relating to future offers and sales of the Class A Shares under this Prospectus.

A Prospectus Supplement containing the specific terms of an offering of the Class A Shares and other information in relation to the Class A Shares will be delivered to purchasers of the Class A Shares together with this Prospectus and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement solely for the purposes of the offering of the Class A Shares covered by that Prospectus Supplement.

Copies of documents incorporated herein by reference may be obtained upon request, without charge, from the President of the Company at The Central Group Alberta Ltd.'s Investor Inquiries Office, 55 Broad Leaf Crescent, P.O. Box 10050, Ancaster, Ontario L9K 1P2, Telephone: 1-905-648-7878, and are also available electronically at [www.sedar.com](http://www.sedar.com).

#### ADDITIONAL INFORMATION

The Company has filed with the SEC a registration statement on Form F-10 of which this Prospectus forms a part. This Prospectus does not contain all the information set out in the registration statement. For further information about the Company and its securities, please refer to the registration statement, including the exhibits to the registration statement.

The Company is subject to the information requirements of the U.S. Exchange Act and applicable Canadian securities legislation and, in accordance therewith, the Company files reports and other information with the SEC and with the securities regulatory authorities of certain of the provinces and territories of Canada. Under a multijurisdictional disclosure system adopted by the United States and Canada, the Company generally may prepare these reports and other information in accordance with the disclosure requirements of Canada. These requirements are different from those of the United States. As a foreign private issuer, the Company is exempt from the rules under the U.S. Exchange Act prescribing the furnishing and content of proxy statements, and the Company's Officers, Directors and Principal Shareholders are exempt from the reporting and short swing profit recovery provisions contained in Section 16 of the U.S. Exchange Act. In addition, the Company is not required to publish financial statements as promptly as United States companies.

The reports and other information filed by the Company with the SEC may be read and copied at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Copies of the same documents can also be obtained from the public reference room of the SEC in Washington by paying a fee. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website ([www.sec.gov](http://www.sec.gov)) that makes available reports and other information that the Company files electronically with it, including the registration statement that the Company has filed with respect hereto.

Copies of reports, statements and other information that the Company files with the Canadian provincial and territorial securities regulatory authorities are electronically available from the Canadian System for Electronic Document Analysis and Retrieval ([www.sedar.com](http://www.sedar.com)), which is commonly known by the acronym "SEDAR". Certain other information about the Company may also be available for inspection at the offices of the TSX.

**ELIGIBILITY FOR INVESTMENT**

In the opinion of Fraser Milner Casgrain LLP, counsel to the Company, provided the Class A Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX), the Class A Shares offered hereunder will be, on the date of issue, qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts ("TFSA") all as defined in the Tax Act.

It should be noted that a holder of Class A Shares will be subject to a penalty tax in respect of the Class A Shares held in a TFSA i