

WEST CENTRAL PELLETING LTD.

SHARE TRADING PROGRAM STANDARD

MATCHING PROCEDURES

Table 1: Settlement Grid: <i>This table is included for illustration purposes only and is in no way intended to provide any form of estimate regarding the fair market value of the shares of West Central Pelleting Ltd.</i>					
Buy Offers			Sell Offers		
Buyer/ Rank	No. of Shares	Bid Price	Ask Price	No. of Shares	Seller/ Rank
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
10	100	\$ 5.10			
9	50	\$ 5.20			
8	30	\$ 5.30			
7	300	\$ 5.40	\$ 5.35	300	1
6	30	\$ 5.50	\$ 5.40	50	2
5	40	\$ 5.50	\$ 5.60	20	3A
4	70	\$ 5.70	\$ 5.60	100	3B
3	150	\$ 5.80	\$ 5.80	150	4
2	100	\$ 5.90	\$ 5.90	40	5
1	60	\$ 6.00	\$ 6.00	80	6
			\$ 6.10	50	7
			\$ 6.20	100	8
			\$ 6.30	200	9
Total Buy Offer Shares	930		Total Sell Offer Shares	1,090	
Maximum Matchable Buy Offer Shares	750		Maximum Matchable Sell Offer Shares	740	
Total Matched Buy Offer Shares	720		Total Matched Sell Offer Shares	720	

At each Trading Session the Administrator shall:

1. Plot on the Settlement Grid all Sell Offers that have been submitted to the Company and have not expired or been revoked as of the commencement of the Trading Session from highest to lowest based on their respective Ask Price (i.e. in inverse order to their ranking under Section 2.5 (b) of the General Terms and Conditions, as illustrated in Columns 4, 5 and 6).
2. Subject to below, if the Ask Price for any two or more Sell Offers is equal, such Sell Offers shall be ranked in accordance with the date such Sell Offer was deemed to be received by the Company with the Sell Offer deemed to be received first being ranked higher (i.e. if 3A and 3B in Column 6 were received on different days and 3B was received first, 3A would be renumbered 3 and 3B would be renumbered 4).
3. If the Ask Price for any two or more Sell Offers is equal and they were received on the same day, such Sell Offers shall be ranked equally (i.e. 3A and 3B as illustrated in Column 6).
4. Plot on the Settlement Grid all Buy Offers that have been submitted to the Company and have not expired or been revoked as at the commencement of the Trading Session from lowest to highest based on their respective Bid Price (i.e. in inverse order to their ranking under Section 2.5 (a) of the General Terms and Conditions, as illustrated in Columns 1, 2 and 3).
5. If the Bid Price for any two or more Buy Offers is equal and such Buy Offers were deemed to be received on the same day, such Buy Offers shall be ranked equally (i.e. similar to sell offers 3A and 3B illustrated in Column 6)
6. Determine the maximum, aggregate number of Buy Offer Shares that are potentially matchable with Sell Offers. For this purpose, a Buy Offer is potentially matchable with a Sell Offer if, after matching all Buy Offer Shares having a higher Bid Price with one or more Sell Offers, the Bid Price of such first mentioned Buy Offer is equal to or greater than the Ask Price of a remaining Sell Offer. Conversely, a Sell Offer is potentially matchable with a Buy Offer if, after matching all Sell Offer Shares having a lower Ask Price with one or more Buy Offers, the Ask Price of such first mentioned Sell Offer is equal to or less than the Bid Price of a remaining Buy Offer. For example, in Table 1 there are Buy Offers for a total of 750 shares at a Bid Price between \$5.40 and 6.00 per share and Sell Offers for a total of 740 shares at an Ask Price in or below this price range. Thus the Buy Offers ranked #1 through 7 inclusive and the Sell Offers ranked #1 through 6 inclusive are all potentially matchable in whole or in part. The Buy Offers ranked #8 through 10 and the Sell Offers ranked #7 through #9 would be considered unmatchable and would not be further considered at this trading Session.
7. Determine the actual number of Matched Shares and the Purchase Price for the each such set of Matched Shares. For this purpose the following basic principles apply:
 - (a) Start by matching the Buy Offer with the highest Bid Price and working downwards e.g. Buy Offer #1 would be filled first, Buy Offer #2 would be filled second and so on with Buy Offer #7 filled last;

- (b) In the event that two or more Sell Offers are ranked equal (the offers have been received on the same day and are for the same amount), any Buy Offer that applies to such Sell Offers shall be split pro rata among the Sell Offers, based upon the number of shares contained in each Sell Offer; and
- (c) The Bid Price sets the Purchase Price.

Based on the basic principals in paragraph 4 above, the illustration in Table 1 indicates that a total of 720 Buy Offer Shares would be successfully matched with a total of 720 Sell Offer Shares. The Buy Offers and Sell Offers in Table 1 would be matched and priced as follows:

1. Buyer #1 would purchase 60 Shares from Seller #6 for \$360.00 (\$6.00 per Share). Seller #6's remaining 20 Sell Offer Shares would go unmatched and unsold since there is no other Buy Offer with a Bid Price of \$6.00 per Share or higher.
2. Buyer #2 would purchase 100 Shares at a total price of \$590.00 (\$5.90 per share) including:
 - 40 Shares from Seller #5 at \$236.00 (\$5.90 per Share); and
 - 60 Shares from Seller #4 at \$354.00 (\$5.90 per Share).
3. Buyer #3 would purchase 150 Shares at a total price of \$870.00 (\$5.80 per share) including:
 - 90 Shares from Seller #4 at \$522.00 (\$5.80 per Share);
 - 50 (100/120 x 60) Shares from Seller #3B at \$290.00 (\$5.80 per Share); and
 - 10 (20/120 x 60) Shares from Seller #3A at \$58.00 (\$5.80 per Share);
4. Buyer #4 would purchase 70 Shares at a total price of \$399.00 (\$5.70 per share) including:
 - 50 Shares from Seller #3B at \$285.00 (\$5.70 per Share);
 - 10 Shares from Seller #3A at \$57.00 (\$5.70 per Share); and
 - 10 Shares from Seller #2 at \$57.00 (\$5.70 per Share); and
5. Buyer #5 would purchase 40 Shares from Seller #2 at a total price of \$224.00 (\$5.60 per Share);
6. Buyer #6 would purchase 30 Shares from Seller #1 at a total price of \$165.00 (\$5.50 per share).
7. Buyer #7 would purchase 270 Shares from Seller #1 at a total price of \$1,458.00 (\$5.40 per share). Buyer #7's remaining 30 Buy Offer Shares would go unmatched and unsold since there is no other Sell Offer with an Ask Price of \$5.40 per Share or lower.

S:\&CORPORATE\WestCentralPelleting\Share Pricing
2015)\StandardMatchingProcedures(Revised-12-2015).doc

(Website

Posting)\Revisions

(12-