



January 8, 2008

Industry Notification

**Re: Notice of Amalgamation
1120358 Alberta Ltd. (formerly Cipher Exploration Inc.),
Watch Resources Ltd. and
Pearl E&P Canada Ltd.**

Pursuant to a Certificate of Amalgamation dated January 1, 2008, 1120358 Alberta Ltd. (formerly Cipher Exploration Inc.), Watch Resources Ltd. and Pearl E&P Canada Ltd. were amalgamated and will continue as a single entity, Pearl E&P Canada Ltd.

Please adjust your records accordingly. A copy of the Certificate of Amalgamation is enclosed herewith.

Thank you.

Yours truly,

PEARL EXPLORATION & PRODUCTION LTD.

A handwritten signature in black ink, appearing to read "M Ariss", is written over a light blue horizontal line.

Margaret Mercier Ariss
Sr. Landman

Encls/