

At the first regular meeting of the Directors it has been decided that stock issued in consideration of Leases must be placed in escrow with the Union Bank of Canada, at Calgary, and left to the discretion of the Directors for distribution; but must remain in escrow until the Company has sufficient funds in the Treasury to complete at least two wells. This assures the investors in the MACDONALD OILS, LTD., that every dollar's worth of Stock on the market has been paid for in cash at the rate of 100 cents on the Dollar.