

This announcement appears as a matter of record only

Convertible Debenture

Oct 2007

\$2,000,000

MOONCOR
Oil & Gas

Conversion Price: One Common Share and One Half Warrant at \$0.83

Conversion Terms: September 28, 2009 at \$0.50
After September 29, 2009 at \$0.55

Maturity Date: March 28, 2010

Interest Rate: 10 Percent



FIRST CANADIAN
CAPITAL MARKETS LIMITED

Lead Agent