

TAX ELECTION INSTRUCTIONS

Capitalized terms not defined in these instructions have the meaning assigned to them in the Arrangement Agreement dated August 12, 2010 (the “**Arrangement Agreement**”) between Salares Lithium Inc. (“**Salares**”), Talison Lithium Limited (“**Talison**”) and Talison Lithium Exchangeco Limited (formerly 0887417 B.C. Ltd.) (“**Exchangeco**”) and the Management Information Circular Concerning the Plan of Arrangement Involving Salares and Talison dated August 20, 2010 (the “**Circular**”) for a special meeting of the shareholders, optionholders and warrantholders of Salares in connection with the Arrangement.

These tax election instructions are for use by an Eligible Holder who has checked the appropriate boxes under the heading “*Tax Election Form of Eligible Holders of Salares Shares as of the Effective Date*” in the Letter of Transmittal and Election Form accompanying the Circular (the “**Letter of Transmittal**”) to indicate such holder’s desire to make the Tax Election referred to below.

These instructions are of a general nature only and are not intended to be (nor should they be construed to be) legal or tax advice to any particular Eligible Holder, as defined below. Furthermore, apart from providing these materials to Eligible Holders for their convenience, neither Talison, Salares nor Exchangeco will provide Eligible Holders with any advice on making the joint tax election discussed herein. Accordingly, Eligible Holders should consult with their own tax advisors for specific advice in respect of whether to make a joint tax election, the making of the joint tax election and complying with the requirements for making such an election having regard to their own particular circumstances.

Please review the tax election forms very carefully and consult your tax advisor as to their proper completion and delivery and the applicable filing deadlines. You are also advised to review Information Circular 76-19R3 and Interpretation Bulletin IT-291R3 issued by the Canada Revenue Agency (“CRA”) for information in respect of the joint tax election under the *Income Tax Act (Canada)* (the “Tax Act”).

A copy of these tax election instructions are also available on Talison’s website at www.talisonlithium.com.

Eligible Holders

“**Eligible Holder**” means a person who was, immediately before the Effective Time, (A) a beneficial holder of Salares Shares who, at the Effective Time, was (i) a Canadian resident or a partnership each of the members of which is a Canadian resident for the purposes of the Tax Act; and (ii) not generally exempt from tax under Part I of the Tax Act; OR (B) a beneficial holder of Salares Shares issued upon exercise of Warrants who, at the Effective Time, was (i) a Canadian resident or a partnership each of the members of which is a Canadian resident for the purposes of the Tax Act; and (ii) not generally exempt from tax under Part I of the Tax Act.

An Eligible Holder who elected to receive Exchangeable Shares under the Arrangement may obtain a full or partial tax-deferred rollover by making a joint election with Exchangeco under subsection 85(1) of the Tax Act or, in the case of an Eligible Holder that is a partnership, under subsection 85(2) of the Tax Act (in either case, a “**Tax Election**”). The procedure for making a Tax Election is set out herein and generally under the heading “*Certain Canadian Federal Income Tax Considerations – Securityholders Resident in Canada – Joint Election Procedure*” at pages 62-63 of the Circular.

Exchangeco will make a Tax Election only with an Eligible Holder who:

- has checked the appropriate boxes under the heading “*Tax Election Form of Eligible Holders of Salares Shares as of the Effective Date*” in the Letter of Transmittal to indicate such holder’s desire to make the Tax Election;
- has properly completed and executed the required tax election forms (i.e., two copies of Form T2057 or, in the event that the Salares Shares were held by a partnership, two copies of Form T2058, and two copies of any applicable provincial tax election forms that may be required under the corresponding provincial tax legislation) and such other documents as are described below under “Required Documentation”; and
- has ensured the receipt of the properly completed tax election materials by Exchangeco on or before the 60th day after the Effective Date (the “Tax Election Date”) at:

Talison Lithium Exchangeco Limited
c/o Salares Lithium Inc.
Suite 960, 1055 West Hastings Street
Vancouver, BC V6E 2E9

Attention: Bryan McKenzie

The Effective Date of the Plan of Arrangement is September 22, 2010. Therefore, the Tax Election Date will be November 21, 2010, being 60 days after the Effective Date.

NO TAX ELECTION WILL BE MADE WITH ANYONE WHO IS NOT AN ELIGIBLE HOLDER.

Execution of Tax Election Forms

In order to make a Tax Election, the applicable Tax Election forms must be properly signed and completed with the necessary information, including the number of Salares Shares transferred, the consideration received therefor and the applicable agreed amounts for the purposes of such elections, and must be received by Exchangeco at the address stated above not later than the Tax Election Date. Exchangeco will execute any properly completed Tax Election forms submitted to it by an Eligible Holder in the time and manner specified herein, and will forward one copy of such election form by mail to the Eligible Holder using the self-addressed envelope received from the Eligible Holder (see “Required Documentation”) within 90 days after the receipt thereof. **Eligible Holders are solely responsible for filing executed tax elections with the appropriate tax authorities within the prescribed times. See “Deadline for Filing of Tax Elections” below.**

None of Talison, Callco, Exchangeco or Salares, nor their directors, officers, agents, advisors or representatives, will be responsible for the proper completion of any Tax Election, for the filing of any tax election with the appropriate tax authorities, for the contents of any Tax Election Package, or for the tax consequences to any Eligible Holder. Eligible Holders will be solely responsible for their Tax Election and Tax Election Package and for any tax, interest or penalties, including the payment of any late-filing penalty. Exchangeco agrees only to execute any properly completed Tax Election forms it receives at the address stated above on or before the Tax Election Date from an Eligible Holder who has received Exchangeable Shares upon a disposition of Salares Shares under the Arrangement, and to send one copy

of such executed forms to Eligible Holders using the self-addressed envelope received from the Eligible Holder by mail within the timeframe set out above. With the exception of execution of the election forms by Exchangeco and the mailing of the election forms to Eligible Holders, compliance with the requirements for a valid election (including the filing of the election with the appropriate tax authorities) will be the sole responsibility of the Eligible Holder making the election. **For greater certainty, none of Talison, Calco, Exchangeco, Salares, nor their directors, officers, agents, advisors or representatives, will be responsible or liable for taxes, interest, penalties, damages or expenses resulting from the making or failure to make any Tax Election, or the failure of Exchangeco to receive any election form, or the failure of anyone to deliver any election to Exchangeco or to properly complete or file any election with the appropriate tax authorities within the time prescribed and in the form prescribed under the Tax Act (or the corresponding provisions of any applicable provincial tax legislation).**

At its sole discretion, Exchangeco may accept and execute a Tax Election form that is not received by it on or before the Tax Election Date; however, no assurances can be given that Exchangeco will do so.

Exchangeco will assume that any representative that signs the Tax Election forms on behalf of a corporation, trust or estate has been duly authorized to do so and will not take any action to verify the validity of any such authorization. Eligible Holders that are corporations, trusts or estates should consult their own legal advisors in determining whether such authorization has been properly given.

Deadline for Filing of Tax Elections

In order for CRA to accept a Tax Election without a late filing penalty being paid by an Eligible Holder, the election form must be received by CRA on or before the date that is the earliest of the day on or before which either Exchangeco or the Eligible Holder is required to file an income tax return for the taxation year in which the Effective Date occurs. Exchangeco's taxation year following the Effective Date is scheduled to end on June 30, 2011. Exchangeco is required to file its income tax return under the Tax Act within six months after the end of its taxation year. Eligible Holders should consider filing completed elections with the appropriate taxation authorities as soon as possible. Eligible Holders are urged to consult their own advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. **However, regardless of such deadlines, the Tax Election forms of an Eligible Holder must be received by Exchangeco (at the address listed above) in accordance with the procedures set out herein no later than the Tax Election Date.**

Provincial Elections

In order to achieve a deferral of tax in some provinces or territories (such as the Province of Québec) similar to that resulting from the Tax Election, it may be necessary to file a separate tax election with the taxing authority of such province or territory. Exchangeco will also make such a provincial or territorial tax election with an Eligible Holder under the same conditions that it is willing to make the Tax Election to be made for purposes of the Tax Act. Eligible Holders are responsible for determining whether any such provincial or territorial election is applicable and appropriate in their circumstances and (if so) obtaining, completing and forwarding the related forms to Exchangeco (at the address listed above) for execution. **The statements above with respect to Tax Elections under "Execution of Tax Election Forms" and "Deadline for Filing of Tax Elections" also apply with respect to any provincial or territorial tax elections (with the necessary changes as required).**

Required Documentation

Salares Shares not co-owned or held by a partnership

Where the Salares Shares were not held in joint ownership or by a partnership, the Eligible Holder must ensure receipt of the following documents by Exchangeco (at the address listed above no later than the Tax Election Date):

- two originally executed copies of Form T2057 signed by the Eligible Holder (one copy will be kept by Exchangeco and not returned to the Eligible Holder); and
- a self-addressed, stamped envelope for return delivery of the Tax Election forms.

Co-owned Salares Shares

Where the Salares Shares were held in joint ownership and two or more of the co-owners wish to make a Tax Election, one of the co-owners designated for such purpose (the "**Designated Co-Owner**") must ensure receipt of the following documents by Exchangeco (at the address listed above no later than the Tax Election Date):

- two copies of a written designation signed by each co-owner, authorizing the Designated Co-Owner to execute and file the Tax Election on behalf of that co-owner (one copy will be kept by Exchangeco and not returned to the Designated Co-Owner);

- two originally executed copies of Form T2057 for each co-owner signed by the Designated Co-Owner (one copy will be kept by Exchangeco and not returned to the Designated Co-Owner);
- two copies of a list containing the names, addresses and social insurance numbers or business numbers of each electing co-owner (one copy will be kept by Exchangeco and not returned to the Designated Co-Owner); and
- a self-addressed, stamped envelope for return delivery of the Tax Election forms.

Eligible Holders who are co-owners of Salares Shares seeking to take advantage of the Tax Election should consult with their own tax advisors for advice respecting the Tax Election procedure relevant to them.

Salares Shares held by a partnership

Where the Salares Shares were held as partnership property, a partner designated by the partnership (the “**Designated Partner**”) must ensure receipt of the following documents by Exchangeco (at the address listed above no later than the Tax Election Date):

- two copies of a written designation signed by each partner, authorizing the Designated Partner to execute and file the Tax Election (one copy will be kept by Exchangeco and not returned to the Designated Partner);
- two originally-executed copies of Form T2058 executed by the Designated Partner on behalf of all members of the partnership (one copy will be kept by Exchangeco and not returned to the Designated Partner);
- two copies of a list containing the name, address and social insurance number or business number of each partner (one copy will be kept by Exchangeco and not returned to the Designated Partner); and
- a self-addressed, stamped envelope for return delivery of the Tax Election forms.

Members of a partnership seeking to take advantage of the Tax Election should consult with their own tax advisors for advice respecting the Tax Election procedure relevant to partnerships.

Completing the Tax Election Forms

Completion of Form T2057

A partially completed Form T2057 is included with these instructions. The general description below illustrates some of the information required to be provided by an Eligible Holder completing the enclosed partially completed Form T2057 but is not intended to constitute advice to any Eligible Holder. In some cases, the required information has been provided by Exchangeco as noted.

The information should be typed or legibly printed on the enclosed partially-completed Form T2057 as noted.

The enclosed partially completed Form T2057 should not be used by Eligible Holders that hold their Salares Shares through a partnership.

Complete the next section by filling in your name and telephone number or, if appropriate, the name and telephone number of your tax advisor.

Name of Person to Contact for Additional Information	Area Code	Telephone Number
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The last section on page 1 of Form T2057 relates to late-filed elections and is to be completed by Eligible Holders who meet the deadline for receipt by Exchangeco of their Tax Election(s) (i.e., they have submitted their Tax Election forms on or before the Tax Election Date) but whose election(s) will be filed late with CRA (see discussion above in the section entitled “Deadline for Filing of Tax Elections”).

Page 2 of Form T2057

The answers to the first five questions have already been completed in the enclosed form as follows:

1- Is there a written agreement relating to this transfer?.....	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
2- Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details).....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
3 - Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of transferee?.....	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
4 - Does a non-arm’s length rollover exist between 2 or more corporations?.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation?.....	N/A	
5- Is the taxpayer a non-resident of Canada?.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Eligible Holders should answer the following questions based on their particular circumstances:

6 - Are any of the properties transferred capital properties?..... Yes No

Whether the Salares Shares are capital properties to a particular Eligible Holder is a mixed question of fact and law that must be determined by each Eligible Holder based on a consideration of all of the relevant circumstances. Please consult your own tax advisor in this regard.

If the Salares Shares were held as capital property, you should answer no to the next question as indicated as neither Salares nor its predecessors were in existence on Valuation Day:

a) have they been owned continuously since Valuation Day (V-Day)?..... Yes No

b) have they been acquired after V-Day in a transaction considered not to be at arm’s length..... Yes No

Eligible Holders who held their Salares Shares as capital property and acquired their Salares Shares in an arm’s length transaction within the meaning of the Tax Act, check “No”. Eligible Holders who are uncertain as to whether their Salares Shares were acquired by them in an arm’s length transaction should consult with their own tax advisors with respect to this question.

The answers to the next four questions have already been completed in the enclosed form as follows.

c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received and attach a schedule.).....**N/A** Yes No

7 - Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day?.....**N/A** Yes No

a) If "Yes" does a formal documented V-Day value report exist?**N/A** Yes No

8 - Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the taxpayer?.....**N/A** Yes No

The next section has already been completed by Exchangeco in the enclosed form.

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:		
Name of corporation (print) N/A	Business Number	Paid-up capital of shares transferred

Eligible Holders must enter the number of Exchangeable Shares received as consideration for their Salares Shares in the next section as shown below. (The remainder of this section has already been completed by Exchangeco in the enclosed form.)

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable?*
→	exchangeable shares of Talison Lithium Exchangeco Limited	N/A	Not known - Dependent on elections filed by other shareholders	Non-voting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

*Retractable means redeemable at the option of the holder.

Enter the number of Exchangeable Shares received by the Eligible Holder.

Page 3 of Form T2057

The date of sale or transfer of the properties is September 22, 2010, being the Effective Date of the Plan of Arrangement. This section has already been completed by Exchangeco in the enclosed form.

PARTICULARS OF ELIGIBLE PROPERTY DISPOSED OF AND CONSIDERATION RECEIVED

Date of sale or transfer of all properties listed below:	Year	Month	Day
	2010	09	22

Complete the information in this section according to the following instructions:

Capital Property Excluding Depreciable Property	Property Disposed of			Agreed Amount (cannot be zero) B	Amount to be reported B-A (If > 0 see note 4)	Consideration Received		
	Description	Elected Amount Limits				Non-share Description	Share Number and Class	Fair Market Value of Total Consideration
		Fair Market Value	A					
	(Brief legal)	\$	\$	\$	\$	\$	\$	\$
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	

Complete this section if the Salares Shares were capital property. If the Salares Shares were inventory, complete the section with the sidebar entitled "Inventory Excluding Real Property" in a similar manner.

- (1) Enter the number of Salares Shares disposed of and their description as "common shares of Salares Lithium Inc.". For example, if the Eligible Holder owned 1,000 Salares Shares, enter "1,000 common shares of Salares Lithium Inc."
- (2) Enter the total fair market value of the Salares Shares at the time of their disposition.
- (3) Enter the adjusted cost base (or cost amount in the case of inventory) of the Salares Shares disposed of. Eligible Holders who are uncertain as to the adjusted cost base of their Salares Shares should consult with their own tax advisors.
- (4) See the rules described below with respect to calculation of the agreed amount.
- (5) Compute B-A. (i.e., the difference between the amounts referred to in (4) and (3)).
- (6) Enter "Ancillary Rights (having nominal value)" to describe the non-share consideration received on the disposition of the Salares Shares. See page 63 of the Circular regarding the value of the Ancillary Rights.
- (7) Enter the number of Exchangeable Shares received on the disposition of the Salares Shares.
- (8) Enter the total fair market value, at the time of the disposition of the Salares Shares, of the Exchangeable Shares received.

Rules with Respect to Calculation of Agreed Amount

The agreed amount must be determined in accordance with the following rules:

- (1) The agreed amount may not be less than the fair market value of the Ancillary Rights acquired on the disposition of Salares Shares. See page 63 of the Circular regarding the value of the Ancillary Rights.
- (2) The agreed amount may not be less than the lesser of the adjusted cost base (or cost amount, if the Salares Shares were inventory) to the holder of the Salares Shares disposed of, determined at the time of the disposition, and the fair market value of the Salares Shares at that time.
- (3) The agreed amount may not exceed the fair market value of the Salares Shares at the time of disposition.

Eligible Holders should consult their tax advisors regarding the selection of the agreed amount in respect of the Salares Shares disposed of.

The Eligible Holder must sign in the last box as indicated:

ELECTION AND CERTIFICATION		
The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge correct and complete.		
_____ Signature of Transferor or Authorized Officer or Authorized Person	and	_____ Signature of Authorized Officer of Transferee
Eligible Holder should sign here	Leave this space blank for the authorized signature of Exchangeco	_____ Date Leave this space blank to be filled in by Exchangeco at the time Exchangeco executes the election

ELECTION ON DISPOSITION OF PROPERTY BY A TAXPAYER TO A TAXABLE CANADIAN CORPORATION

- For use by a taxpayer and a taxable Canadian corporation to jointly elect under subsection 85(1) where the taxpayer has disposed of eligible property within the meaning of subsection 85(1.1) to the corporation and has received as consideration shares of any class in that corporation.
- File one completed copy of the election and related schedules (if any) as follows:
 - 1 – a) one copy by the transferor, or
 - b) two or more copies if two or more transferors elect regarding the transfer of the same property (co-ownership), or two or more members of the same partnership elect for the transfer of their partnership interests. In these situations, one transferor designated for the purpose should file simultaneously one copy for each transferor, together with a list of all transferors electing. This list should contain the address and Social insurance number or Business Number of each transferor;
 - 2 – on or before the **earliest date** on which any one of the parties to the election is required to file an income tax return for the tax year in which the transaction occurred, taking into consideration any election under subsection 99(2) (due date);
 - 3 – at the tax centre serving the area where the transferor is located. Where two or more co-owners or members of a partnership referred to above elect, the elections will be processed in bulk and should be filed at the tax centre of the transferee; and
 - 4 – separate from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.
- Sections and subsections referred to on this form are from the *Income Tax Act*.

Do not use this area

Name of taxpayer (transferor) (print)				Social insurance number or Business Number				
Address				Postal code				
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office

Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print)			Social insurance number		
Address			Postal code		Tax services office

Name of corporation (transferee) (print) Talison Lithium Exchangeco Limited				Business Number 853083004 RC 0001				
Address #2600-Three Bentall Centre, PO Box 49314, 595 Burrard Street, Vancouver, B.C.				Postal code V7X 1L3				
Tax year of corporation for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office Vancouver
Name of person to contact for additional information				Area code		Telephone number		

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2057 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2057 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid when this election is filed.

Calculation of late-filing penalty:

Fair market value of property transferred	_____	
Less: agreed amount	_____	
Difference	=====	A
Amount A _____ x 1/4 x 1% x N*	= _____	B
\$100 x N*	= _____	C

Do not use this area

* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above

Make a cheque or money order payable to the Receiver General. Specify "T2057" on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.

Amount enclosed _____

Information required

On the following page, list, describe, and state the fair market value of transferred properties. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election you do not have to file the following materials: schedules supporting this designation, documentation relating to the responses to the questions below, and a brief summary of the method of evaluating the fair market value of each property transferred. However you have to keep them as the Canada Revenue Agency may ask to see them at a later date.

- 1 – Is there a written agreement relating to this transfer? Yes No
- 2 – Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details.) Yes No
- 3 – Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? Yes No
- 4 – Does a non-arm's length rollover exist between 2 or more corporations? Yes No
- a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation? Yes No
N/A
- 5 – Is the taxpayer a non-resident of Canada? Yes No
- 6 – Are any of the properties transferred capital properties? Yes No
- If yes,**
- a) have they been owned continuously since Valuation-Day (V-Day)? Yes No
- b) have they been acquired after V-Day in a transaction considered not to be at arm's length? Yes No
- c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received and attach a schedule.) *N/A* Yes No
- 7 – Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? Yes No
N/A
- a) If yes, does a formal documented V-Day value report exist? *N/A* Yes No
- 8 – Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the taxpayer? Yes No
N/A

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation (print)	Business Number	Paid-up capital of shares transferred
N/A		

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable? *
	exchangeable shares of	N/A	Not known	Non-voting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Talisson Lithium		Depends on elections		<input type="checkbox"/> Yes <input type="checkbox"/> No
	Exchangeco Limited		filed by other		<input type="checkbox"/> Yes <input type="checkbox"/> No
			shareholders		<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

* Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular, IC76-19 and Interpretation Bulletins, IT-169, IT-291, and IT-378.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of Eligible Property Disposed of and Consideration Received

Date of sale or transfer of all properties listed below:	Year	Month	Day	Note: For properties sold or transferred on different dates, use separate T2057s.
	2010	09	22	

	Property Disposed of		Agreed Amount (cannot be zero)	Amount to be reported B - A (If greater than 0 see Note 4)	Consideration Received			
	Description	Elected Amount Limits*			Non-share	Share	Fair Market Value of Total Consideration	
		Fair Market Value	A	B	Description	Number and Class		
Capital Property Excluding Depreciable Property	(Brief legal)	\$	\$(See Note 1)	\$	\$			\$
Depreciable Property	(Description and prescribed Class)		(See Note 2)					
Eligible Capital Property	(Kind)		(See Note 3)					
Inventory Real Property Excluding Real Property	(Kind)		(Cost Amount)					
Resource Property	(Brief legal)		NIL					
Security or Debt Obligation Property	(Description)		(Cost Amount)					
Specified Debt Obligation (For financial institutions only)			(Cost Amount)					
Capital Property That is Real Property Owned by a Non-Resident Person								
NISA Fund No. 2 (see note 5)			(Cost Amount)					

- Note 1: Adjusted cost base (which is subject to adjustment per section 53).
- Note 2: The lesser of undepreciated capital cost of all property of the class and the cost of the property.
- Note 3: The lesser of 4/3 x cumulative eligible capital and the cost of the property. (Under proposed changes, new rules will apply on subsequent dispositions of eligible capital property occurring after December 20, 2002).
- Note 4: This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as a capital gain while another portion of the amount may have to be reported as income.
- Note 5: Contributions made in a tax year ending after 2007, and amounts earned on those contributions, are only eligible if that property is owned by an individual.
- * Refer to current Interpretation Bulletin IT-291 for more information on eligible property and an explanation of the limits.

Election and Certification

The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.

and

Signature of Transferor, of Authorized Officer or Authorized Person

Signature of Authorized Officer of Transferee

Date

* Attach a copy of authorizing agreement