



**NOTICE OF DETERMINATION/REDETERMINATION OF AN AMOUNT IN RESPECT OF PARTNERSHIP
PURSUANT TO SUBSECTION 152(1.4) OF THE INCOME TAX ACT**

**AVIS DE DÉTERMINATION/NOUVELLE DÉTERMINATION CONCERNANT UN MONTANT RELATIF À UNE SOCIÉTÉ DE
PERSONNES SELON LE PARAGRAPHE 152(1.4) DE LA LOI DE L'IMPÔT SUR LE REVENU**

Subsections 152 (1.4) to (1.8) of the *Income Tax Act* allow the Minister to determine or redetermine any amount in respect of a partnership (including related interest charges claimed by a partner relating to the acquisition of an interest in it).

Les paragraphes 152 (1.4) à (1.8) de la *Loi de l'impôt sur le revenu* permettent au ministre de déterminer à nouveau tout montant concernant la société (incluant les frais d'intérêt Réclamés par un sociétaire en ce qui a trait à l'acquisition d'un intérêt dans celle-ci).

Name and Address: Nom et adresse SENTINEL HILL NO 207 LIMITED PARTNERSHIP Suite 920 – 1040 West Georgia Street Vancouver, British Columbia V6E 4H1	Date of Mailing Date de mise à la poste March 30, 2005
	Identification Number Numéro d'identification HA 7046972
	Taxation Services Office of the partnership Bureau des services fiscaux de la société Vancouver

Fiscal Period Ended / La période fiscale terminée le:

3	1	1	2	2	0	0	2
Day	Month	Year	Year	Month	Day	Year	Month
Jour	Mois	Année	Année	Mois	Jour	Année	Mois

The Minister has:
Le Ministre a:

- determined, or
déterminé, ou
- redetermined,
déterminé de nouveau

the following amount(s) for the 2002 fiscal period as follows:

que les montants décrits ci-dessous doivent être pris en compte
le calcul des montants à déclarer pour la période fiscale 2002 :

Nature of Amount(s) Nature du ou des montants	Amount Montant
Previous net business income/(loss) reported	(\$1,239,171)
<u>Less/(Add):</u> Adjustment to net business loss	<u>\$2,187,336</u>
Net business Income/(loss) determined	<u>\$948,165</u>
Previous interest from Canadian sources reported	\$249,725
<u>Less:</u> Interest from Canadian sources disallowed	\$ Nil
Interest from Canadian sources determined	<u>\$249,725</u>
Limited partner's cumulative at-risk amount reported	\$9,917,343
<u>Less:</u> Reduction to cumulative at-risk amount	<u>(\$4,153,888)</u>
Limited partner's cumulative at-risk amount, as determined – Note 1	<u>\$5,763,455</u>

Note 1: See Schedule "A" attached for details of calculations.

MICHEL DORAIS
Commissioner / Commissaire
Canada Customs and Revenue Agency /
Agence des douanes et du revenu du Canada

Schedule "A"

Partnership Name: SENTINEL HILL NO 207 LIMITED PARTNERSHIP
Partnership Number: HA 7046972

Calculation of Limited Partner's Adjusted Cost Base and At-Risk Amount For Fiscal Period Ending December 31, 2002

A) Calculation of Limited Partner's Adjusted Cost Base:

Adjusted Cost Base from previous fiscal period	\$15,655,788
Cost of partnership Interest	
<u>Add:</u>	
(i) Capital Contributions after the previous fiscal period	\$ 658,965
(ii) Income for the previous fiscal period	<u>\$ 100,869</u>
SUB-TOTAL	\$16,415,622
<u>Deduct:</u>	
(i) Drawings/Distributions for the fiscal period	(\$ 100,869)
(ii) Losses for the previous fiscal period	(\$3,939,665)
(iii) Limited Partnership Losses applied in previous fiscal period	<u>\$ Nil</u>
Adjusted Cost Base at end of the fiscal period	<u>\$12,375,088</u>

B) Calculation of Limited Partner's At-Risk Amount:

Adjusted Cost Base at end of the fiscal period (from above)	\$12,375,088
<u>Add:</u>	
Limited Partner's share of Interest Income for the fiscal period	<u>\$ 1,197,890</u>
SUB-TOTAL	\$13,572,978
<u>Deduct:</u>	
(i) Balance owing to the partnership, directly or indirectly, for financing limited partner's investment	\$ Nil
(ii) Loss protection(s) (amount or benefit) provided, directly or indirectly, to the limited partner from Class B units	<u>(\$7,809,523)</u>
At-Risk Amount balances at end of fiscal period before losses	<u>\$5,763,455</u>