

State of Idaho

Department of State.

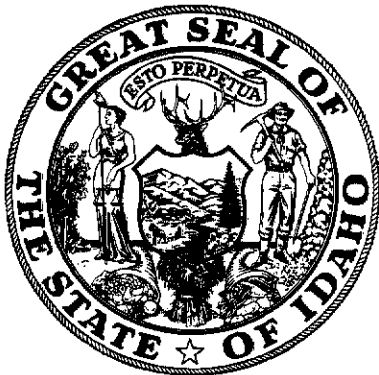
CERTIFICATE OF INCORPORATION OF

MERIT CONSULTANTS, LTD.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of the above named corporation, duly signed pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: July 29, 1987



Pete T. Cenarrusa

SECRETARY OF STATE

by: *Sandra Mawhoy*

ARTICLES OF INCORPORATION
OF
MERIT CONSULTANTS, LTD.

JUL 25 12 05 PM '87
SECRETARY OF STATE

The undersigned, a natural person of legal age, acting as the incorporators of a corporation under the Idaho Business Corporation Act, adopts the following articles of incorporation for such corporation:

ARTICLE I

The name of the corporation is:

Merit Consultants, Ltd.

ARTICLE II

The period of duration of the corporation is perpetual.

ARTICLE III

The corporation is organized under the Idaho Business Corporation Act for the performance of any lawful purpose or purposes, including, but not limited to, the following:

A. The nature of the business of the corporation and the objects and purposes to be transacted, promoted and carried out by the corporation include the following:

1. To prospect and explore for extract, produce develop, mine, drill for, refine, process, cycle, recycle, liquefy, synthesize, purchase, or otherwise acquire, and to store, transport, buy, sell, exchange, distribute, or otherwise dispose of and deal in minerals, materials and substances of every kind and character, including, but not limited to, petroleum, petroleum-bearing shale, oil, tar sands, coal, bensol, natural gas, natural gas gasoline, petroleum distillate, and other hydrocarbons, whether solid,

liquid, or gaseous, all metallic and non-metallic minerals, all fissionable and non-fissionable materials, organic and inorganic substances, radioactive substances and chemicals of every kind and character whatsoever, including, but not limited to, those derived from agriculture and forest products, the atmosphere or waters, on the surface of the earth and in the earth, and the products and by-products of any and all of the above-named products, all of which are in this Article III referred to as "minerals";

2. To locate, contract for, purchase, lease, or otherwise acquire, own, hold, improve, develop, work, explore, exploit, operate, lease, mortgage, exchange, sell, convey, transfer, assign, deal in and otherwise use and dispose of any and all kinds of land and real estate, mines, wells, mineral claims and rights, easements, and leaseholds, or any interests therein, any and all crude oil, natural gas, hydrocarbons, metallic or non-metallic minerals, and all other minerals; to mine, drill wells on, develop and operate such lands, mines, mineral claims and rights, and to remove and dispose of the aforesaid minerals, products and by-products, including the extraction of such minerals from water and air;

3. To buy, sell, hold, use, import, export, trade and deal in and with all minerals and useful materials and substances, including products and by-products thereof;

4. To construct, purchase, or otherwise acquire, own, hold, lease, operate, and to mortgage, sell, lease, or otherwise dispose of pipe lines, conveyors, tank cars, trucks and other vehicles, tankers, ships,

barges and other vessels, aircraft and any other means of transportation, terminals, tank farms, tanks and the lands, rights-of-way, easements, equipment and other property required therefor;

5. To construct, purchase, or otherwise acquire, own, lease, hold, operate and mortgage, sell, lease and otherwise dispose of refineries, mills, smelters, factories, warehouses, laboratories, farms, plants, mines, workshops, cycling plants, power generation plants, recycling plants, treating plants, natural gas, gasoline plants, plants for the conversion of solid and gaseous hydrocarbons into liquid fuels, distillate recovery plants, plants for the extraction of petroleum from shale, and such other plants, machinery and equipment as may be necessary or convenient for effecting any of the purposes set forth, together with the lands, leaseholds, easements, right-of-way and other property required therefor;

6. To make, process, manufacture, treat, refine, smelt, and purify all minerals and mineral substances, and any and all other useful materials and substances, including, but not limited to, gasoline, motor fuel and other fuels, lubricants, fertilizers, chemicals, colloids, plastics and other materials and substances found in the earth, water, or atmosphere, synthetic materials and fissionable and non-fissionable materials, or any components thereof, and to use, hold, sell, market and dispose of such products and by-products;

7. To construct, purchase, lease, or otherwise acquire, own, hold, operate, mortgage, lease, sell, or otherwise dispose of bulk plants, service stations,

marketing outlets, stores, warehouse, terminals and storage facilities for the storage, distribution and sale, at wholesale or retail, of goods, wares and merchandise, gasoline and other motor fuels, lubricants, greases and other petroleum products and by-products, anti-freeze solutions, tires, tubes, batteries and other automotive parts and accessories and such other merchandise as is customarily sold at motor vehicle, airplane or marine service stations, and other property required therefor; and to buy, sell, and deal in any and all goods, wares and merchandise as provided in this paragraph 7 at said service stations or otherwise, and to purchase, lease, use, and dispose of all vehicles, conveyances, pumps, tanks, appliances, fixtures and accessories necessary or convenient for the carrying on of said business;

8. To acquire, hold, encumber, transfer, guarantee, sell, assign, mortgage, pledge, or otherwise dispose of shares, bonds and other evidences of indebtedness, securities and contracts of other person, associations, corporations, domestic of foreign, and to form or acquire the control of other corporations and while the owner thereof to exercise all the rights, powers and privileges of ownership;

9. To acquire by purchase or otherwise the good will, rights and property and to undertake the whole of any part of the assets and liabilities of any person, firm, or corporation; to pay for the same in cash, the shares or other securities of this corporation or otherwise; to hold or in any manner dispose of the whole or any part of the property or business so acquired; to conduct in any lawful manner the whole or any part of the business so acquired and to exercise

all of the powers necessary of convenient in the conduct and management of such business;

10. To engage in any activity in connection with the furnishing of information, advice, financial, managerial, and other services of any kind in connection with the management of any and all kinds and types of business and property of any kind;

11. To engage in a general real estate business; to purchase, acquire, own, hold, use, develop, improve, subdivide, plat, lease (either as lessor or lessee), grant, sell, exchange, mortgage, convey in trust, manage, construct, operate and generally deal in any and all real estate, improved or unimproved, office buildings, warehouses, apartment houses, dwelling house, condominiums, and other buildings and structures of every class and description, and any and all other property of every kind and description, wherever situated;

12. To transact a general real estate and brokerage business, including the renting and managing of real estate and interests therein; to act as agent, broker, or attorney-in-fact for any person or corporation in buying, selling and dealing in real estate and real property and any interest or estates therein on commission or otherwise;

13. To lend money on such terms and conditions and on such security, real or personal, as the board of directors of this corporation may, from time to time, determine; to guarantee, purchase, otherwise acquire, hold, own, sell, assign, transfer, mortgage, pledge, or otherwise dispose of, or deal in, as principal, agent,

or otherwise, bonds, notes, accounts receivable and other choices in action executed by individuals and firms, shares of capital stock, bonds, notes, and other choices in action issued by other corporations, and while the holder thereof, to exercise all the rights and privileges of ownership, including the right to vote such stock to the same extent as natural persons might or could do;

14. To manufacture, fabricate, assemble, to take, purchase and otherwise acquire, own, hold, use, sell, assign, transfer, exchange, lease and otherwise dispose of, or to invest, trade, deal in and deal with goods, wares, merchandise and supplies, and all other personal property of every class and description;

15. To have one or more offices, to carry on any of its operations and business and without restriction or limit as to amount, to purchase or otherwise acquire, lease, hold, own, mortgage, sell, convey, lease or otherwise dispose of real and personal property of every class and description in any of the states, districts, territories, or possession of the United States, and in any and all foreign countries subject to the laws of such state, district, territory, possession, or county;

16. To borrow money without limitation; to draw, make, execute, issue, accept, endorse, transfer, with or without recourse, and deliver notes, drafts, bills of and transferable instruments or other evidences of indebtedness, whether negotiable or non-negotiable, and to secure the same by mortgage, pledge, deed of trust, or otherwise, and to sell, pledge, mortgage, encumber, or otherwise deal indebtedness to any person, firm, or

corporation, including authorized to accept, hold, own, purchase, or otherwise deal in and with any of said instruments or other evidences of indebtedness;

17. To acquire by purchase, lease, or otherwise, and hold, use, sell, or in any manner deal with, including the right to grant licenses or other rights therein, patents, invention, improvements, processes, trademarks and copy-rights;

18. To establish, maintain and finance organizations and agencies which may be necessary or useful in accomplishing any of such activities and the purposes of said corporation, and to engage in any or all of such activities or the financing thereof, singly or in cooperation or association with person, firms, or corporations within the state of Idaho or elsewhere without restrictions as to place or amount;

19. To organize and operate private or public investor participation programs for the conduct of any of the foregoing;

20. In general, to do any or all of the things hereinbefore set forth, and to carry on any businesses not contrary to the laws of the state of Idaho, as principal, factor, agent, contractor, or otherwise, either alone or in conjunction with any person, firm, association, or corporation, and to make and perform contracts of every kind and description, and to do any and all such acts and things, and to exercise any and all such powers to the same extent as a natural person might or could lawfully do to the extent allowed by law.

The objects and purposes specified in each of the foregoing paragraphs shall not be limited or restricted by reverence to or inference from the terms of any other paragraph, but each shall be regarded as independent objects and purposes.

B. In furtherance of the foregoing objects and purposes specified, and any lawful purpose conducted, the corporation shall have and may exercise all of the rights, powers, and privileges now or hereafter conferred upon corporations organized under the laws of the State of Idaho. In addition, the corporation may do everything necessary, incidental, suitable, or proper for the accomplishment of any lawful purpose.

ARTICLE IV

A. The aggregate number of shares of stock which the corporation shall have authority to issue is two hundred fifty thousand (250,000) shares, all of the same class designated as common stock, each of which share of stock shall have a par value of twenty cents (\$0.20). All shares issued by the corporation shall be deemed fully paid and not liable for any further call or assessment thereon.

B. A shareholder of record shall have one (1) vote for each share of stock standing in his name on the books of the corporation entitled to vote, except that in the election of directors he shall have the right to vote in person or by proxy such number of shares owned by him for as many persons as there are directors to be elected and for whose election he has a right to vote. Cumulative voting shall not be allowed.

C. No shareholder of the corporation shall have any pre-emptive or other right to subscribe for any additional shares of stock or for other securities of any class, or for rights, warranty or options to purchase stock, or for script or securities of any kind convertible into stock, or for script or

securities of any kind convertible into stock or carrying stock purchase warrants or privileges.

D. The board of directors may from time to time distribute to the shareholders in partial liquidation out of stated capital or capital surplus of the corporation a portion of its assets, in cash or property, subject to the limitations contained in statutes of the State of Idaho.

ARTICLE V

The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatsoever.

ARTICLE VI

The following provisions are inserted for the management of the business and for the conduct of the affairs of the corporation and for creating defining, limiting and regulating the powers of the corporation, the directors and the stockholders:

1. There shall initially be four (4) directors and the number of directors may be fixed from time to time by or in the manner provided in the Bylaws, but in no case shall the number be less than three (3), except that if all the shares are owned beneficially and of record by either one or two stockholders, the number of directors may be less than three, but not less than the number of stockholders. In case of an increase in the number of directors, the newly created directorships resulting therefrom may be filled in the manner provided for in the Bylaws. Any director or any officer elected or appointed by the stockholders or by the board of directors may be removed at any time with or without cause in such manner as shall be provided in the Bylaws.

2. The board of directors shall have the power to make, alter, amend, or repeal the Bylaws, but any bylaws so made may be altered, amended, or repealed by shareholders having voting rights at any annual or special meeting.

3. Both stockholders and directors shall have the power, if the bylaws of the corporation so provide, to hold their meetings either within or without the state of Idaho, to have one or more offices in addition to the principal office in the state of Idaho, and to keep the books of the corporation (subject to the provisions of the statutes) outside of the state of Idaho at such places as from time to time may be designated by the board of directors.

4. Elections of directors need not be by ballot unless the Bylaws so provide.

5. The business of the corporation shall be managed by its board of directors, and the board of directors shall have the power to exercise all the powers of the corporation authorized by law, including (but without limiting the generality hereof) the power to create mortgages upon the whole or any part of the property of the corporation, real or personal, without any action of or by the stockholders, except as otherwise provided by the statute or by the Bylaws.

6. The board of directors shall have power in its discretion to fix, determine and vary from time to time the amount to be retained as surplus and the amount or amounts to be set apart out of any of the funds of the corporation available for dividends, working capital, or a reserve or reserves for any

proper purpose and to abolish any such reserve in the manner in which it was created. In its discretion, the board of directors may use and apply any surplus or other funds legally available therefor in purchasing or acquiring bonds or other obligations of the corporation or shares of its own capital stock, to such extent and in such manner and upon such terms and conditions as the board of directors shall deem fit, and any shares of such capital stock so purchased or acquired may be resold unless such shares shall have been retired in a manner provided by law.

7. The board of directors, by resolution passed by a majority of the whole board, may designate one or more committees, each committee to consist of two or more directors of the corporation, which, to the extent provided in said resolution or resolutions or in the Bylaws, shall have any may exercise the powers of the board of directors in the management of the business and affairs of the corporation any may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be stated in the Bylaws, or as may be determined from time to time by resolution adopted by the board of directors.

8. The board of directors shall have the power in its discretion from time to time to determine whether and to what extent and at what times and places and under what conditions and regulations the books and accounts of the corporation, or any of them, other than the stock ledger, shall be open to the inspection of stockholders, and no stockholder shall have any right to inspect any account or book or

document of the corporation, except as conferred by law or authorized by resolution of the board of directors or of the stockholders.

9. Any director or directors, officer or officers, individually or jointly, may be a party or parties to or may be interested in any contract or transaction of or with this corporation or in which this corporation is interested, and no contract, act, or transaction of this corporation with any person or persons, firm, association, corporation, or other entity shall be affected or invalidated by the fact that any director or directors or officer or officers of this corporation is a party or are parties to or interested in such contract, at, or transaction, or in any way connected with such person or persons, firm, association, corporation, or entity and each and every person who may become a director or officer of this corporation is hereby relieved, so far as is legally permissible, from any disability which might otherwise prevent him from contracting with the corporation for the benefit of himself or of any firm, association, corporation, or other entity in which he may be in any way connected. The fact that any director is so interested or connected shall not disqualify him from being counted in determining the existence of a quorum at any meeting of the board of directors at which any such contract, act, or transaction is considered or acted on. Nothing in this provision shall be deemed to relieve a director or officer of any duty which he may otherwise have to disclose the existence of any such interest or connection.

ARTICLE VII

The corporation shall indemnify any person who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was a director or officer of the corporation or of another corporation at such time owned or of which the corporation was or may be a creditor. This indemnification shall extend to their respective heirs, successors, assigns and administrators for any and all expenses, including judgments, settlement amounts, and attorneys fees, actually and reasonably incurred in good faith belief that he conducted himself in a manner reasonably believed to be in or not opposed to the best interests corporation, had no cause to believe his conduct was criminal or unlawful, or was adjudged not liable for negligence or misconduct in the performance of his duty to the corporation. Such indemnification shall be in addition to any other rights to which those indemnified may be entitled under any law, bylaw agreement, vote of stockholders, or otherwise.

ARTICLE VIII

The corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute and all rights conferred upon the directors and stockholders are granted subject to this reservation.

ARTICLE IX

The board of directors consist of ~~four~~ ^{THREE (3)} ~~(4)~~ members, and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders, or until their successors be elected and qualify, are:

<u>Name</u>	<u>Address</u>
A.H. Mochinski	1031 Ayshire Drive Burnaby, British Columbia V5A 3Z8 Canada
M.W. Smale	33673 - 6th Avenue Mission, British Columbia V2V 2A5 Canada
A.A. Nicol	351 Laurentian Crescent Coquitlam, British Columbia V3K 1Y3 Canada
R.H. Ansley	1255 Otterburn West Vancouver, British Columbia V7S 2J, Canada

ARTICLE X

The address of the initial registered office of the corporation in the state of Idaho is Suite 1405, Idaho First Plaza Building, Boise, Idaho 83702, and the name of the corporation's initial registered agent at such address is Paul F. Sherman.

ARTICLE XI

The name and address of each ~~incorporator is as specified in Article IX above.~~ ^{THE SOLE INCORPORATOR IS A.H. MOCHINSKI}

The undersigned, being the incorporators herein named, for the purpose of forming a corporation pursuant to the Idaho Business Corporation Act, do make these Articles, hereby declaring and certifying that this is their act and deed and the facts herein stated are true and accordingly, has hereunto set their hand this 28 day of July, 1987.

A. Mochinski PRESIDENT
