

**Report of Organizational Actions
Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name <u>Northcliff Resources Ltd.</u>		2 Issuer's employer identification number (EIN) <u>None</u>	
3 Name of contact for additional information <u>Investor Relations</u>		4 Telephone No. of contact <u>(604) 684-6365</u>	5 Email address of contact <u>info@hdimining.com</u>
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <u>15th Floor, 1040 West Georgia Street</u>		7 City, town, or post office, state, and Zip code of contact <u>Vancouver, BC, V6E 4H1</u>	
8 Date of action <u>June 7, 2011</u>		9 Classification and description <u>Common Shares</u>	
10 CUSIP number <u>66401Q108</u>	11 Serial number(s) <u>N/A</u>	12 Ticker symbol <u>NCF.V</u>	13 Account number(s) <u>N/A</u>

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ [See attached.](#)

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ [See attached.](#)

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ [See attached.](#)

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached.](#)

18 Can any resulting loss be recognized? ▶ [See attached.](#)

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attached.](#)

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ */s/ Bryce Hamming* Date ▶ January 17, 2012

Print your name ▶ Bryce Hamming Title ▶ Chief Financial Officer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u> John D. Hollinrake Jr. </u>	<u> <i>/s/ John D. Hollinrake Jr.</i> </u>	<u> 01/17/2012 </u>		<u> PO1568530 </u>
	Firm's name ▶ <u> Dorsey & Whitney LLP </u>	Firm's EIN ▶ <u> 41-0223337 </u>		Firm's address ▶ <u> Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, Washington, 98104 </u>	
				Phone no. ▶ <u> (206) 903-8812 </u>	

NORTHCLIFF RESOURCES LTD.

ATTACHMENT TO FORM 8937, PART II

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

Line 14. Information about and Date of Organizational Action

On June 7, 2011, Cabre Capital Corp., a corporation organized under the laws of British Columbia ("*Cabre*"), acquired Northcliff Resources Ltd., a corporation organized under the laws of British Columbia ("*Target*"), by way of an amalgamation (the "*Arrangement*"). In the Arrangement, Target amalgamated with a wholly-owned subsidiary of Cabre ("*CPC Sub*"), resulting in an amalgamated company ("*Amalco*"). Target shareholders exchanged all of their Target shares for new common shares of Cabre (the "*New Common Shares*"), and the CPC Sub shares were exchanged for shares of Amalco (the Arrangement is described in full in the Filing Statement, dated May 25, 2011, which is available at www.SEDAR.com). At the time of closing, Cabre changed its name to "Northcliff Resources Ltd." ("*Northcliff*").

Line 15 – 16. Quantitative Effect of the Organizational Action on the Basis of Securities; Calculation

Subject to the discussion below, in general, the aggregate tax basis in the New Common Shares that each Target shareholder received pursuant to the consummation of the Arrangement should equal such shareholder's aggregate tax basis in the Target shares exchanged in the Arrangement.

Line 17. Applicable Internal Revenue Code Sections

Though it is not free from doubt, Northcliff believes that the exchange of Target common shares for the New Common Shares and the amalgamation of Target and CPC Sub pursuant to the Arrangement should be treated as a single integrated transaction qualifying as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "*Code*"). Consequently, the federal income tax consequences should be determined under Code Sections 354, 358 and 1221.

In addition, because Target believes that it was a passive foreign investment company as defined under Code Section 1297 (a "*PFIC*") immediately before the reorganization, Code Sections 1291-8 may be applicable.

Line 18. Recognition of Gain or Loss

If the Arrangement qualifies as a reorganization within the meaning of Code Section 368(a), then in general, subject to the discussion below, each Target shareholder who received New Common Shares in the Arrangement should not recognize gain or loss. The holding period

of the New Common Shares received in the Arrangement should include the holding period during which the shareholders held their Target shares.

However, even if the Arrangement qualifies as a reorganization under Code Section 368, certain special rules may apply if Target is classified as a PFIC for one or more prior tax years. Although Target believes that it may have been a PFIC for one or more prior tax years, Target has not sought or obtained an opinion from a tax adviser or a ruling from the IRS with respect to its PFIC status. The determination of whether or not Target is a PFIC is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Accordingly, there can be no assurance that the IRS will not challenge the determination made by Target concerning its PFIC status for any taxable year. Shareholders should consult with their own tax advisors regarding the application of the PFIC rules.

In the event that the Arrangement is taxable, for purposes of calculating fair market value, the fair market value of the Northcliff common shares is estimated at CDN\$1.50, which is the closing price for Northcliff common shares on the Toronto Stock Exchange on June 8, 2011 (the day after closing). The closing exchange rate on June 8, 2011 was 1 Canadian dollar to 1.0225 U.S. dollar, as reported by the Bank of Canada. Therefore, the U.S. dollar fair market value of each Northcliff share on June 8, 2011 is estimated at \$1.53. Shareholders should consult with their own tax advisors to determine what measure of fair market value is appropriate if they are required to recognize gain.

Line 19. Other Information; Reportable Tax Year

In general, if any gain or loss is recognized by a U.S. shareholder, he or she should report such gain or loss for the taxable year which includes June 7, 2011 (e.g., a calendar-year shareholder would report the transaction on his or her federal income tax return filed for the 2011 calendar year).

No legal opinion from U.S. legal counsel or ruling from the Internal Revenue Service (the "IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement described in this report. This report is not binding on the IRS, and the IRS and the U.S. courts could disagree with one or more of the positions described above.

The above information does not constitute tax advice. It does not address the tax consequences that may apply to any particular shareholder, and each shareholder is urged to consult his or her own tax advisor regarding the tax consequences of the Arrangement.