

NORTHERN ONTARIO GROW BONDS CORPORATION

SERIES 2005-1 NORTHERN ONTARIO GROW BONDS

INFORMATION STATEMENT

The following is a brief description of the business of the Northern Ontario Grow Bonds Corporation (the “Grow Bonds Corporation”), and the investment features of the Series 2005-1 Northern Ontario Grow Bonds, (the “Bonds”), together with the purchase conditions for the Bonds.

No securities regulatory authority has expressed an opinion about these securities. These Bonds may not be suitable investments for all persons. Subscribers are advised to discuss the suitability of their investment in the Bonds with their own tax or other financial advisor. None of Grow Bonds Corporation, its agents, representatives or employees is authorized to give investment advice or to comment on the suitability of investment in the Bonds.

The Bonds issued by the Grow Bonds Corporation, an agent of the Crown, will be a direct obligation of the Grow Bonds Corporation. Payment of the principal of and interest on the Bonds is unconditionally guaranteed by the Province of Ontario (the “Province”). The Bonds are direct, unsecured obligations of the Grow Bonds Corporation and rank *pari passu* and rateably without any preference or priority among themselves and equally with all of the Corporation’s other unsecured and unsubordinated indebtedness and obligations from time to time outstanding.

The Objectives of the Grow Bonds Corporation

The *Northern Ontario Grow Bonds Corporation Act, 2004* (the “Act”) established Grow Bonds Corporation. It received Royal Assent on December 16, 2004.

The objectives of the Grow Bonds Corporation are:

1. To foster business development in northern Ontario.
2. To provide debt financing to be used by eligible businesses and eligible entities for such purposes as may be prescribed by the regulations.
3. To engage in such other activities as the Lieutenant Governor in Council may specify for the economic benefit of northern Ontario. 2004, c. 31, Sched. 39, s. 3.

Purchase Procedure

Individuals will be able to purchase the 2005-1 Bonds by phone and through mail-in applications. Application packages will be made available at local municipal and provincial offices, chambers of commerce as well as through local businesses. A purchase application form is included with this Information Statement. A maximum of \$25,000,000 principal amount of Bonds will be issued under the Grow Bonds Program. In the event that applications in excess of this amount are received, applications will be filled on a pro-rated basis.

Ownership Eligibility

1. The Bonds may only be acquired by a beneficial owner who is at the time of acquisition:
 - (a) an individual, of 16 years or older, normally residing in Northern Ontario and having a Northern Ontario address;
 - (b) a corporation, society, non-profit association or other organization having a permanent establishment in Northern Ontario; or
 - (c) a beneficiary of
 - (i) a Registered Retirement Savings Plan, Registered Retirement Income Fund, Deferred Profit Sharing Plan, Employee Benefit Plan, Registered Education Savings Plan, or Registered Pension Plan, or
 - (ii) an estate or other trust

where that beneficiary meets the requirements of (a) or (b) above.

Northern Ontario means the Territorial District of Algoma, Cochrane, Kenora, Manitoulin, Nipissing, Parry Sound, Rainy River, Sudbury, Thunder Bay or Timiskaming.

The Grow Bonds Corporation shall have the right not to issue, or to redeem and cancel any Bonds previously issued to a beneficial owner, or an estate or other trust that does not or did not, at the time of issue, meet the ownership eligibility requirements set out above.

Purchase Orders

2. The Bonds may be purchased in denominations of \$100 and integral multiples of \$100. Payments may be made by cheque, money order or bank draft dated April 11, 2005, made payable to "Northern Ontario Grow Bonds Corporation" and must be postmarked by April 11, 2005.

Maximum Ownership Limit

3. The maximum principal amount of Bonds that may be purchased for or by a beneficial owner for any bond series issued by Grow Bonds Corporation, is \$500,000 or such other amount established by the Grow Bonds Corporation, from time to time (the "Dollar Limit"). The Dollar Limit shall not apply to purchases of Bonds in the secondary market. When Bonds are beneficially owned jointly, the maximum permitted principal amount will be the Dollar Limit multiplied by the number of joint beneficial owners. The Grow Bonds Corporation shall have the right not to issue, or to redeem and cancel any Bonds previously issued.

RRSP/RESP Eligibility

4. The Bonds will be a qualified investment for Registered Retirement Savings Plans and Registered Education Savings Plans.

Notice Respecting Collection of Personal Information

5. Personal information collected by or on behalf of the Grow Bonds Corporation in connection with the Northern Ontario Grow Bonds program is collected under the authority of the *Northern Ontario Grow Bonds Corporation Act, 2004*, S.O. 2004, c. 31, Schedule 39 (ss. 3, 4) and the *Capital Investment Plan Act, 1993*, S.O. 1993, c. 23 (s. 30), and will be used by the Grow Bonds Corporation and its registrar, fiscal agent, transfer agent, paying agent and order administrator, and the Ministry of Northern Development and Mines, the Ministry of Finance and the Ontario Financing Authority, to administer the Northern Ontario Grow Bonds program.

Questions about this collection of personal information should be directed to: Manager, Customer Service Centre, Ministry of Finance, 33 King Street West, Oshawa, Ontario L1H 8H5. Telephone 1-800-263-7965 (general inquiries), 1-800-668-5821 (Service in French), 1-800-263-7776 (TTY) or <http://www.NorthernOntarioGrowBonds.com> (Internet Address).

Dealing with Registrar

6. Bondholders may contact the Registrar at:
CIBC Mellon Trust Company
P.O. Box 7010
Adelaide Street Postal Station
Toronto, Ontario
M5C 2W9

Attention: Bondholder Services
tel: 1-800-387-0825

Income Tax Forms

7. The Registrar will deliver a T5 tax form to registered holders on or prior to February 28, of each year during the term of the Bond. The T5 information will reflect all interest payments made on April 11 of the previous year.

Cancellation

8. An applicant may cancel an order Bonds on or before April 11, 2005 (the "Cancellation Deadline") by providing written notification to the Registrar along with a copy of the applicant's completed Application Form postmarked or delivered by the Cancellation Deadline. Cancellations will not be accepted after the Cancellation Deadline.

The Grow Bonds Corporation may, in its sole and absolute discretion, accept or reject an Application Form (in whole or in part). If an application is rejected, any payment delivered by the applicant to the Grow Bonds Corporation, will be promptly returned to the applicant without interest.

***Notice regarding Terms and Conditions (March 29, 2005)**

Section 13 of the "Terms and Conditions of the Bonds" as appended to this Information Statement, has been amended to state that no transfers will be permitted on an Interest Payment Date or during the immediately preceding 15 days. In the copy of the "Terms and Conditions of the Bonds" which was initially attached to the Information Statement, this statement was inadvertently omitted.

TERMS AND CONDITIONS OF THE BONDS

Status of the Bonds and Guarantee of the Province

1. The 2005-1 Northern Ontario Grow Bonds (the "Bonds") issued by the Northern Ontario Grow Bonds Corporation ("Grow Bonds Corporation"), an agent of the Crown, will be a direct obligation of the Grow Bonds Corporation. Payment of the principal of and interest on the Bonds is unconditionally guaranteed by the Province of Ontario (the "Province"). The Bonds are direct, unsecured obligations of the Corporation and rank *pari passu* and rateably without any preference or priority among themselves and equally with all of the Corporation's other unsecured and unsubordinated indebtedness and obligations from time to time outstanding.

Form and Denomination

2. The five-year, non-redeemable, fixed-rate Bonds will be represented by definitive certificates in fully registered form in denominations of \$100 and integral multiples of \$100.

Registrar

3. CIBC Mellon Trust Company in the City of Toronto (together with any successor or replacement registrar called the "Registrar") has been appointed by Grow Bonds Corporation as registrar for the Bonds to maintain a register (the "Register") in the City of Toronto for the names and addresses of the registered holders of the Bonds and particulars of the Bonds held by them respectively and in which transfers of Bonds may be registered.

Maturity

4. The Bonds will mature and shall be payable in full on April 11, 2010 (the "Maturity Date").

Interest

5. The Bonds will bear interest from April 11, 2005 at the rate per annum set out on the face of the Bonds.

6. Simple interest is payable on the Bonds in arrears at the rate set for the Bonds in annual payments beginning on April 11, 2006, and every April 11 thereafter ("Interest Payment Dates") up to and including the Maturity Date.
7. Interest will cease to accrue on the Bonds on the Maturity Date. Interest will only be paid to the registered holder by direct deposit to a specified account within Canada.
8. Where a Bond is registered in more than one name, the principal of and interest payable on the Bond shall be paid to or to the order of all joint registered holders, failing written instructions from them to the contrary. Such payment shall constitute a valid discharge to the Grow Bonds Corporation and the Registrar.
9. Interest computed for a period of less than one year shall be calculated on the basis of the actual number of days in the period and a year of 365 days.

Business Day

10. Payments in respect of principal of and interest on the Bonds shall only be made on a day other than a Saturday, Sunday or statutory holiday in Ontario (a "Business Day") and if any date for payment is not a Business Day, payment shall be made on the next following Business Day and no further interest shall be paid in respect of the delay in such payment.

Not Bound by Trust

11. Neither the Grow Bonds Corporation nor the Registrar shall be bound to see to the execution of any trust affecting the ownership of any Bonds or be affected by notice of any equity that may be subsisting in respect of a Bond. Payments to or to the order of the registered holder of the Bonds shall discharge the liability of the Grow Bonds Corporation and the Registrar to the extent of the sum paid.

Purchases

12. The Grow Bonds Corporation may, at any time, purchase Bonds in the open market or by tender or by private contract at any price.

Transfers

13. A Bond may be transferred by the registered holder by presenting and surrendering the Bond, together with a completed transfer form and such other documentation as may be reasonably required by the Registrar, for registration in the name of the transferee. No transfers will be permitted on the Maturity Date, an Interest Payment Date, or the 15 days immediately preceding either of these dates.

Joint Holders

14. Where a Bond is registered in more than one name, the principal of and interest payable on the Bond shall be paid to the order of all joint registered holders, by direct deposit only, as per the account information provided on the application form, failing written instructions, to the contrary, from each holder. Payments to or to the order of joint registered holders as aforesaid, shall discharge the liability of the Grow Bonds

Corporation and the Registrar to the full extent of the sum paid. In the case of the death of one or more joint registered holders, the principal of and interest on any Bonds registered in their names may be paid to the survivor or survivors of such holders, by direct deposit only, and such payment shall discharge the liability of the Grow Bonds Corporation and the Registrar to the full extent of the sum paid.

Bonds can be redeemed or transferred upon the death of a registered owner, upon written notification from the executor or estate administrator to the Registrar with such other documentation as may be reasonably required by the Registrar.

Payment

15. Payment of principal of and any outstanding interest on the Bond will be made upon surrender of the Bond, including the attached tear-off redemption portion of the Bond, (the "Payment Instrument"), by the registered holder, at any bank in Canada where the registered holder maintains a Canadian dollar bank account. The Payment Instrument must be attached to the Bond at the time of surrender otherwise the Bond will be void.
16. The Bonds must be presented for payment within a period of two years from the Maturity Date.

Mutilated, Defaced, Destroyed, Stolen or Lost Bonds

17. If a Bond becomes mutilated, defaced, destroyed, stolen or lost, the Registrar will, at the request of the registered holder, issue a new Bond in replacement of the mutilated, defaced, destroyed, stolen or lost Bond upon receipt by the Registrar of;
 - a. in the case of a mutilated or defaced Bond, the mutilated or defaced Bond; and
 - b. in the case of a destroyed, stolen or lost Bond
 - (i) evidence satisfactory to the Grow Bonds Corporation and Registrar that the Bond was destroyed, stolen or lost, and
 - (ii) an indemnity bond issued by a surety company satisfactory to the Grow Bonds Corporation and the Registrar, in such form as the Grow Bonds Corporation may require where the cost of the indemnity arising from the above transaction is borne by the registered holder.

RRSP/RESP Eligibility

18. The Bonds will be qualified investments for a Registered Retirement Savings Plan or a Registered Education Savings Plan.

Governing Law

19. The Bonds are governed by and shall be construed in accordance with the laws of the Province of Ontario.

Northern Ontario Grow Bonds Corporation
Series 2005-1 Northern Ontario Grow Bonds

Information Statement – Supplement #1

For Purchases Made During the Extended Selling Period

The following, together with the Information Statement, summarizes the principal terms and conditions of the Series 2005-1 Northern Ontario Grow Bonds. No securities regulatory authority has expressed an opinion about these securities.

Attached hereto and forming part of this document is the information statement (the “Information Statement”) made available to prospective purchasers during the period of March 21, 2005 to April 11, 2005 summarizing the principal terms and conditions of the Series 2005-1 Northern Ontario Grow Bonds (the “Bonds”) to be issued by Northern Ontario Grow Bonds Corporation (“Grow Bonds Corporation”).

Except as otherwise modified or supplemented herein, the Information Statement shall remain in full force and effect unamended and is incorporated herein by reference. Unless otherwise defined, all capitalized terms used herein shall have the same meaning ascribed thereto in the Information Statement.

As Grow Bonds Corporation intends to extend the selling period for the purchase of Bonds from April 11, 2005 until April 18, 2005 (the “Extended Selling Period”), the following provisions of the Information Statement are deleted and replaced in their entirety as follows (and all other provisions of the Information Statement remain in effect unamended):

Purchase Orders

4. The Bonds may be purchased in denominations of \$100 and integral multiples of \$100. Payments may be made by cheque, money order or bank draft dated on or before April 18, 2005 made payable to “Northern Ontario Grow Bonds Corporation” and must be postmarked by April 18, 2005.

Cancellation

8. An applicant may cancel an order for Bonds on or before April 18, 2005 (the “Cancellation Deadline”) by providing written notification to the Registrar along with a copy of the applicant’s completed Application Form postmarked or delivered by the Cancellation Deadline. **Cancellations will not be accepted after the Cancellation Deadline.**

The Grow Bonds Corporation may, in its sole and absolute discretion, accept or reject an Application Form (in whole or in part). If an application is rejected, any payment

delivered by the applicant to Grow Bonds Corporation, will be promptly returned to the applicant without interest.

Interest

9. Although the last day of sales of the Bonds will be April 18, 2005, the first interest period will commence on April 11, 2005.

Note: The following amendment to the Terms and Conditions of the Bonds was incorporated into a revised version of the Information Statement as posted March 29, 2005 on the Northern Ontario Grow Bonds website www.NorthernOntarioGrowBonds.com

“Section 13 of the “Terms and Conditions of the Bonds” as appended to this Information Statement, has been amended to state that no transfers will be permitted on an Interest Payment Date or during the immediately preceding 15 days. In the copy of the “Terms and Conditions of the Bonds” which was initially attached to the Information Statement, this statement was inadvertently omitted.

For more information, see the Northern Ontario Grow Bonds website at www.NorthernOntarioGrowBonds.com or by calling toll-free 1-866-668-5437.

Dated: April 11, 2005