PR%F CAPITAL

Avoidance of Self-Dealing: Disclosure of Proof Proprietary Investment Fund Inc. ("Prop Fund") Holdings

The purpose of Proof Capital Inc.'s Conflict of Interest Policy is to protect the best interests of investors when there is an existing or potential conflict of interest. A potential conflict of interest could develop any time a fund purchases a security from, or sells a security to, the PROP Fund or its officers or directors (the "**Self-Dealing Parties**"). With respect to this potential conflict of interest:

a. A fund shall not be permitted to make an investment in an issuer in which any officer or director of a fund, Proof, the PROP Fund, or the Manager beneficially owns, either directly or indirectly, more than 10% of the outstanding shares or units of the issuer, or if all officers and directors of the aforementioned entities combined beneficially own, either directly or indirectly, more than 50% of the outstanding shares or units of the issuer.

b. Trades between a fund and a Self-Dealing Party will only be permitted if the trading price is established to be at fair market value that is validated by a third party transaction (including a coincident equity financing by the issuer). In addition, no permitted trade between a fund and a Self-Dealing Party shall proceed without first addressing the potential trade with the Conflict Advisory Board.

c. Part of Proof's strategy to address the potential conflicts related to Self-Dealing is to adopt the following disclosure policy: Proof shall post and maintain a list of all the holdings of the PROP Fund on its website (www.proofcapital.ca).

Company Name	Public / Private	Individual Access Person Ownership < 10.0% (Y/N)
Barrel Oil Ltd.	Private	Yes