CROFF ENTERPRISES INC
Form PREM14A
January 30, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

x	Preliminary Proxy Statement
o	**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
o	Definitive Proxy Statement
	Definitive Additional Materials
x	Soliciting Material Pursuant to §240.14a-12

Croff Enterprises, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.

x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:
Common Shares

(2) Aggregate number of securities to which transaction applies:

11,144,150

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
$ 0.10

(4) Proposed maximum aggregate value of transaction:
3,612,102

(5) Total fee paid:
$392.00

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

2007 PROXY STATEMENT

SPECIAL MEETING OF SHAREHOLDERS

A Special meeting of Shareholders of
Croff Enterprises, Inc.
will be held at:

3773 Cherry Creek Drive North
Meeting Room, Second Floor, Room 280
Denver, Colorado
Telephone: (303) 383-1555

on

February ___, 2007, at 11:00 A.M.

General Information & Incorporation by Reference:

THIS PROXY STATEMENT IS BEING MAILED ON APPROXIMATELY FEBRUARY ___, 2007 TO ALL CROFF COMMON AND PREFERRED "B" SHAREHOLDERS OF RECORD IN CONNECTION WITH THE SOLICITATION OF THEIR VOTE BY THE BOARD OF DIRECTORS OF CROFF ENTERPRISES, INC. ("the Company" or "Croff") with regard to a Special meeting of shareholders to be held on February ___, 2007 at 11:00 a.m. at 3773 Cherry Creek Drive North #1025, Denver, Colorado 80209, Telephone: (303) 383-1555, pertaining to the following described share exchange and resulting acquisition. This Proxy Statement should be reviewed in connection with the copy of the Annual Report filed on SEC Form 10-K dated December 31, 2005 and Croff's 10-Q for the quarter ending September 30, 2006.

VARIOUS ITEMS OF IMPORTANT INFORMATION AND ACCOUNTING FOR THE COMPANY RELATED TO THIS PROXY STATEMENT, SUCH AS "DESCRIPTION OF THE BUSINESS", ARE SET-OUT IN THE ANNUAL REPORT EARLIER DELIVERED TO SHAREHOLDERS ON FORM 10-K AND QUARTERLY REPORT ON FORM 10-Q AVAILABLE ON LINE OR FROM THE COMPANY (SEE OTHER INFORMATION PARAGRAPH OF THIS PROXY AT PAGE 37). SUCH DETAILED INFORMATION MAY BE RELEVANT IN REVIEWING THIS PROXY STATEMENT, BUT IS NOT REPEATED IN THIS DOCUMENT. ACCORDINGLY, EACH SHAREHOLDER SHOULD REFER TO THE FORMS 10-K AND 10-Q BEFORE COMPLETING THEIR PROXY BALLOT.

Proxies voted in accordance with the accompanying ballot form, which are properly executed and received by the Secretary to the Company prior to the Special meeting, will be voted. Shareholder Proposals are discussed at Page 36.

Essential Terms of Share Exchange

On December 12, 2006, **Croff Enterprises, Inc.** (hereafter "Croff" or the "Company") entered into a Stock for Stock Equivalent Exchange Agreement (the "Exchange Agreement") with **Taiyuan Rongan Business Trading Company Limited** (hereafter "TRBT"), a private Chinese company located in or around the city of Taiyuan, Shanxi Providence, in the Peoples Republic of China ("PRC" or "China").

The essential nature of the Exchange Agreement provides for Croff to issue approximately 11,000,000 restricted common shares to the shareholders of TRBT under claimed exemptions from registration in exchange for the acquisition of 80% of the outstanding equity and ownership of TRBT by Croff. Croff will also convert its Preferred B share into two shares of its common stock in exchange for each share of Preferred B stock held by its public Preferred B shareholders, and accept the tender of the remaining Preferred B from the Croff principals as outlined below. Croff would then cancel all Preferred B shares.

In the event of an affirmative vote in favor of the Exchange Agreement, Croff would own eighty percent (80%) of all of the issued and outstanding equity interest of TRBT. TRBT in turn owns a seventy six percent (76%) ownership interest in six shopping malls located in or around the City of Taiyuan, China, which is located approximately 400 kilometers west of Beijing, China. As a result, Croff will own an approximately sixty one percent (61%) net interest in the shopping malls.

In the event of closing, the prior TRBT shareholders will receive and hold approximately 92.5% of all issued and outstanding shares of Croff and the current Croff shareholders as of a date of this Proxy would continue to hold approximate 7.5% of the issued and outstanding shares of Croff.

The proposed Share Exchange is subject only to an affirmative shareholder vote and ratification pursuant to this Proxy Statement. Estimates or projections of the effect of the transaction upon the valuation of the Croff shares or stock price of the shares cannot and will not be made by Croff as part of the acquisition.

Each shareholder is further advised that the Croff principal shareholder, Mr. Gerald L. Jensen, and related controlled entities, intends to vote in favor of the Share Exchange and all related matters and holds sufficient Croff common in connection with Mr. Julian Jensen, a co-director, as to the common stock; and, individually as to the preferred B shares, to constitute a majority sharehold position in both classes of issued and outstanding shares.

The primary terms of the Agreement are as set-out below. However, each shareholder or other interested party is encouraged to review the complete Exchange Agreement as previously filed and the availability of which is subsequently set-out:

- As noted above, in the event of the successful consummation of the Share Exchange, Croff will be acquiring eighty percent (80%) of the issued and outstanding equity interest of TRBT, which in turn owns seventy six percent (76%) of all equity and ownership interest in six shopping malls in or around the city of Taiyuan, China, resulting in a net equity interest in the properties by Croff of approximately sixty one percent (61%).

- As a necessary term and provision of the Exchange Agreement, Mr. Gerald L. Jensen, the current principal shareholder and president of Croff and related owned companies (the "Croff Principals") will, subject to shareholder vote, acquire 67.2% of all of the preferred B assets from Croff in exchange for the 67.2% of the class "B" preferred shares which he now holds. The Croff Principals will exchange three

hundred sixty three thousand and five hundred thirty five (363,535) shares, or 67.2% of the class "B" shares outstanding, in exchange for 67.2% of all of the class B preferred assets of Croff, which are essentially the oil and gas assets of the Company. These class "B" preferred shares will be cancelled by the Company of record upon tender.

- The principal shareholders will concurrently, tender the sum of six hundred thousand dollars ($600,000) in cash to the Company, and assume all liabilities of the oil and gas assets, in exchange for the remaining 32.8% of the preferred "B" oil and gas assets.

- Croff will then, as part of the exchange closing, convert all remaining preferred "B" shares held by the public, being the remaining 32.8% of the issued and outstanding class of preferred "B" preferred shares, to common shares on a ratio of two common shares for each class "B" preferred share. Upon the closing of the exchange transaction, all class "B" preferred shares will be cancelled and terminated of record. Any subsequent presentation of class "B" preferred shares will entitle the holders to receive two common shares upon presentment. Class "B" preferred shareholders, who cannot be located under applicable notice provisions of the Utah Business Corporation Act, may subsequently have any unclaimed common shares to which they would otherwise be entitled tendered to the State of Utah as lost or abandoned shares. As a result, upon the closing of the Exchange Agreement, the Company will have outstanding only common shares.

- The six hundred thousand dollars ($600,000) paid by the Croff Principals will remain in the Company. The Company will record the money received as a capital gain to the extent it exceeds 32.8% of the cost basis in the oil and gas assets. Prior to the closing, the Company will pay out a $.20 per share cash dividend to all common shareholders of record prior to the closing and payment of a retirement stipend to the outside Directors of $10,000 dollars each.

- Increase the authorized class of Preferred "A" shares, no par, from five million shares to ten million shares; and the authorized Common shares, $0.10 par, from twenty million to one hundred million.

- The Share Exchange Agreement is being submitted pursuant to the within Proxy solicitation, but subject to a right of TRBT to rescind the transaction if 17% or more of all Croff shareholders (common and preferred) elect to exercise their Dissenting Shareholder Rights under Utah law as more fully set-out herein.

- Immediately upon the close and pursuant to the earlier proxy solicitation, if approved, the shareholders will have elected the new board of directors nominated and designated by TRBT. This new board will then appoint the designated officers which are also generally identified in this Proxy.

- As a net result and in the event of the approval of the acquisition by the shareholders and the closing of the transaction, the oil and gas business will be exchanged and sold to the current principal shareholder, and the business of the Company will be modified from oil and gas production to the acquisition, development and management of retail properties in the PRC, including the initial six properties as identified.

- It is not presently intended that the name or domicile of the Company will be changed immediately after the close and the Company will continue to operate as the parent company of TRBT.

- It should be noted that the current principal shareholder, Mr. Gerald L. Jensen, and the co-director Mr. Julian Jensen hold and intend to vote a majority block of common shares in favor of the Exchange. Mr. Gerald L. Jensen, individually and through controlled entities, owns a majority of the preferred B shares which he intends to vote in favor of the Share Exchange.

- Proposed compensation to the new management and other details of the Share Exchange are set out more fully herein.

The foregoing is only intended to be a general description of the most essential terms of the Exchange Agreement and any interested party should review more carefully the following section II more fully describing the transaction, as well as the actual Exchange Agreement earlier filed as part of the December 14, 2006 8-K filing by the Company. Copies of the Exchange Agreement can be viewed online at the SEC website (www.sec.gov/edgar) or at the Company website (www.croff.com), or a printed copy may be obtained from Croff at its address above by telephoning or making a written request.

Revocability of Proxy

A shareholder returning the enclosed proxy ballot has the power to revoke it at any time before it is exercised and may do so by written notice to the Secretary of the Company at the address set forth above, effective upon receipt of such written notice prior to the close of voting, or by voting in person at the Special meeting. Attendance at the Special meeting, in and of itself, will not constitute revocation of a proxy.

Solicitation and Voting Procedures

The record date for the determination of shareholders entitled to vote at the Special meeting is the close of business on December 31, 2006. There were issued, outstanding and entitled to vote on such date approximately 551,244 shares of the 20,000,000 authorized common shares. The Company has only one class of Common Shares, each of which is entitled to one vote. The Company does not have cumulative voting. Accordingly, each shareholder must vote all of his shares on each separate ballot proposal or nominee, or abstain from voting on that item or person. The Company will bear all costs of this proxy solicitation.

The Company has two classes (□A□ & □B□) of generally non-voting preferred shares. No □A□ shares have been issued. Each holder of common stock, as of 1996, was issued one share of class □B□ preferred stock for each common share owned. At the same time, the Company pledged all of its oil and gas assets existing at that time to the class B preferred stock. In 2005, the Croff Principals tendered for the balance of the preferred B shares and now hold 67.2% of the preferred B shares. The preferred □B□ shares are non-voting as to general corporate matters, but are entitled to vote upon, and will be counted separately in this proxy solicitation, as to the disposition of the preferred □B□ assets of the Company, which constitute its remaining oil and gas assets.

Common shares and preferred □B□ shares entitled to vote will be determined based upon the official shareholder record of December 31, 2006. Actual votes cast will be determined by the physical counting of votes in person or proxy by the Inspector of Elections to be appointed prior to the meeting by the Board of Directors. Any dispute as to votes or entitlement to vote will be decided by majority vote of the Board of Directors. Abstentions and broker non-votes will not be counted for either quorum or ballot purposes.

As to each item to be voted upon in this Proxy, a numerical majority of the issued and outstanding shares must be present or voted by Proxy at the meeting. Each proposal to be voted upon will only be adopted by a majority vote of shares voted at the meeting, provided a quorum is present. That is, a quorum will be established by the presence in person or by proxy of 275,622 common shares and 270,330 preferred □B□ shares. Each item will be adopted by an affirmative vote of a majority of the common share present in person or by proxy, as determined by the Inspector of Elections. Provided, however, the proposal dealing with the sale and transfer of the preferred □B□ assets will also require majority approval of the outstanding preferred □B□ shares.

There are no matters to be voted upon as described by this Proxy upon which management will proceed absent majority shareholder approval as described above.

Dissenting Shareholders Rights

Any dissenting shareholder□s rights of Croff shareholders are deemed to arise under Utah Law. In essential terms, dissenting shareholder rights afford minority shareholder□s the right to □dissent□ from certain corporate actions approved by the majority of shareholders if they do not believe the economic treatment they are to receive from such company actions are fair or equitable. In most cases this would involve situations where the shareholder is receiving compensation from or for the shareholder□s shares as a result of a merger, share exchange, or the acquisition or sale of assets.

As to the matters to be voted upon in this Special Meeting, each common and preferred □B□ shareholder will be given dissenting shareholder rights as more fully discussed under that section of this Proxy Statement.

This Proxy is solicited on behalf of Board of Directors who urge your vote in favor of the matters proposed.

Matters to be Voted Upon

The following constitutes a listing of the matters to be voted upon at the meeting and are more fully explained and set-out subsequently in this Proxy:

Common Shareholder Vote

1. Approval of the Share Exchange Agreement and resulting acquisition of the TRBT assets, and sale of the preferred class □B□ share assets.

2. Election of the TRBT slate of directors as more fully identified and described herein.

3. An increase in the authorized but unissued Class A shares (no par) from five million to ten million shares.

4. An increase in the authorized common shares from twenty million to one hundred million shares at ten cents per share par value.

5. Vote upon other matters as may properly come before the meeting. Management has not scheduled or noticed any other matters and does not anticipate any other issues to be raised at the Special Meeting.

Preferred Shareholder Vote

The Preferred B Shareholders will vote upon the following:

Approval of the exchange of all Preferred B share assets (oil & gas assets, related bank accounts, and other intangible assets), to the Croff Principal Shareholders for $600,000, assumption of all related liabilities, and delivery of 67.2% of the Preferred B shares, and exchange of two common shares for each remaining Preferred B share not held by the Croff principal shareholders, and the subsequent cancellation of all Preferred B shares.

Principal Shareholders and Parties Having a Substantial Interest

The Company knows of no person or group, except the following, which as of the date of this Proxy Statement, beneficially owns and has the right to vote more than 5% of the Company's Common Stock. The following principal shareholders, as well as principal officers and directors, should be deemed to be persons who have a substantial interest and influence as to the matters proposed in this Proxy:

		COMMON SHARES	
NAMES AND ADDRESS OF BENEFICIAL OWNER		BENEFICIALLY OWNED	PERCENT OF CLASS
1.	Jensen Development Company (1) 3773 Cherry Creek Drive North #1025 Denver, Colorado 80209	132,130	24.0%
2.	Gerald L. Jensen 3773 Cherry Creek Drive North #1025 Denver, Colorado 80209	121,358	22.0%
3.	Julian D. Jensen 311 S. State Ste. 380 Salt Lake City, UT 84111	31,663	5.7%
Directors as a Group		303,651	56.1%

(1) Includes shares held by Jensen Development Corporation (132,130) which is wholly owned by Gerald L. Jensen.

SUMMARY INFORMATION AS TO CURRENT DIRECTORS/PRINCIPAL OFFICERS

NAME	Director Since	Compensation
Gerald L. Jensen	1985	Salary as President: $54,000 - Inside Director Compensation - See Executive Compensation Below
Richard Mandel, Jr.	1985	Outside Director Stipend Only (See Executive Compensation Below)
Julian D. Jensen	1990	Outside Director Stipend Only (See Executive Compensation Below)
Harvey Fenster	Dec. 2006	Outside Director Stipend Only (See Executive Compensation Below)

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the beneficial ownership of common stock and preferred B stock of the Company as of December 31, 2006, by (a) each person who owned of record, or beneficially, more than five percent (5%) of the Company's $.10 par value common stock, its common voting securities, and (b) each director and nominee in 2006-2007 and all directors and officers as a group.

Owners	Shares of Common Class Owned Beneficially	Percentage Stock Owned Common Stock	Shares of Preferred B Class B Owned Beneficially	Percentage Stock Owned Preferred B Stock
Gerald L. Jensen 3773 Cherry Creek Drive N, #1025 Denver, CO 80209	253,488 (1)	46.0%	363,535 (1)	67.2%
Edwin W. Peiker, Jr. (2) 550 Ord Drive Boulder, Colorado 80401	4,000	0.7%	0	0%
Dilworth A. Nebeker (3) 10823 Palliser Bay Drive Las Vegas, Nevada 89141	2,900	0.5%	0	0%
Richard H. Mandel, Jr. 3333 E. Florida #94 Denver, Colorado 80210	18,100	3.2%	8,000	1.5%
Julian D. Jensen 311 South State Street, Suite 380 Salt Lake City, Utah 84111	31,663	5.7%	0	0%
Harvey Fenster 25 Oak Meadow Road Evansville, IN 47725	-	-	-	0%
Directors as a Group	303,651	56.1%	371,535	68.7%

(1) Includes 132,130 shares of Common and 132,130 shares of preferred B held by Jensen Development Company which is owned by Gerald L. Jensen.

(2)-(3) Resigning in December 2006.

EXECUTIVE COMPENSATION

Certain additional required information concerning remuneration, other compensation and ownership of securities by the Directors and Officers is set-out in the annual report on Form 10-K, previously sent to shareholders and incorporated by this reference. Directors currently received $350 for each half-day session of meetings of the Board and $500 for each full day meeting. The Audit Committee Chairman receives $500 per quarter and each member receives $350 per quarter. Mr. Dilworth Nebeker and Mr. Edwin Peiker were paid a retirement stipend of $10,000 each on their resignation in December 2006.

Remuneration

During the fiscal year ended December 31, 2006, there were no officers, employees or directors whose total cash or other remuneration exceeded $80,000.

Summary Compensation Table

2003 - 2006 Compensation Gerald L. Jensen, President. (No other executive salaries)

	2003	2004	2005	2006
YTD				
Annual Compensation				
Salary	$54,000	$54,000	$54,000	$54,000
Bonus	$0	$0	$0	$0
Other Annual Compensation	$0	$0	$0	$0
Long Term Compensation				
Awards				
Restricted Stock Awards	$0	$0	$0	$0
Payouts				
No. Shares Covered by Option Grant	0	0	0	0
Long Term Incentive Plan Payout	$0	$0	$0	$0
All Other Compensation (1)	$1,620	$1,620	$1,620	$1,620

1 Mr. Gerald Jensen has also received an IRA contribution from the Company of $1,620 (3% of salary) per year since 2003.

Gerald L. Jensen is employed as the President and Chairman of Croff Enterprises, Inc. Mr. Jensen commits a substantial amount of his time, but not all, to his duties with the Company. Directors, excluding the President, are not paid a set salary by the Company, but are paid $350 for each half-day board meeting and $500 for each full-day board meeting.

Options, Warrants or Rights

The company had no outstanding stock options, warrants or rights, presently, or as of December 31, 2006.

Proposed Directors and Executive Officers

The following is a listing and brief business biographical information for each of the proposed new directors and executive officers who will assume positions in the Company in the event of the closing of the Exchange Agreement:

Directors:

1. Mr. Aizhong An, Age 62, President and CEO, Chairman of the Board

   Mr. Aizhong An is an experienced Chinese business executive. In 1969, after military service, Mr. An returned to his hometown Taiyuan Hao Zhuang (Good Village), and worked as a deputy manager of a local business management group. Mr. An founded the privately owned TRBT Industry Co., Ltd. in 1985. He was recognized as a business pioneer, as TRBT was a "non-state-run enterprises", a rarity in China in 1985. In 1991, Mr An founded Taiyuan Clothing City Group Company Limited ("TCCG"). TCCG"s main business was and is the development and management of shopping and distribution centers Mr. An serves as President & CEO of TCCG. In 2002, TCCG had over 5,000 distributors and retailers in their centers. By the end of 2004, TCCG had five centers and 9 locations. These assets, to the extent of 76% ownership, were consolidated into TRBT. TRBT is the largest shopping and distribution center group in Shanxi province.

2. Mr. Samuel Liu, Age 44, Director, COO

   Mr. Liu was a senior manager in a trading company (annual revenues approx. 300 million dollars) in U.S.A. from 1986 – 1993 known as Accords System, Inc.. From 1994 – 2002 was the president of Super Nu-Life Products, Inc., a nutri-ceuticals manufacturer. From 2003 to present Mr. Liu was active in founding, organizing and managing a number of foreign investment projects in China, and he counsels China companies on doing business in the U.S.A., and in mergers with public companies in the U.S.A. Mr. Liu has a Master of Arts degree from Beijing University, awarded in 1984.

3. Mr. Jiming Zhu, Age 53, Director, Vice President, CFO

   Mr. Jiming Zhu started work as an accountant for the Hao Zhuang management group from 1974--1976. In 1994, he joined the TRBT industry group. He was co-founder of Taiyuan Yudu Minpin Shopping Mall and worked as its General manger from 1996 to the present. Mr. Zhu has been elected as a "Manager of the Year" of "non-state-run Enterprises" in Taiyuan every year since 1996.

4. Ms. Junhui An, Age 36, Director

   Mrs. Junhui An started work as Human Resources manager in Clothing City in 1996. Clothing City is a predecessor entity to TRBT. During 1996-2002 she recruited the management team for the Clothing City mall. She was named General Manager of Clothing City in 2002. Ms. Junhui An is the daughter of Aizhong An.

5. Mr. Omar J. Gonzalez, Age 44, Director

Mr. Gonzalez from 1984 to the present is the owner/manager of Omar□s Exotic Birds, an exotic bird chain having three retail stores in Southern California. Mr. Gonzalez has also been active in pet product distributions, bird breeding and supervising private zoological sites. Mr. Gonzalez has a B.A. degree in Human Resources from Dominguez Hills University in Gardena, California.

6. Dr. Gregory J. Frazer, Age 54, Director

Dr. Gregory Frazer entered the private practice of Audiology and Hearing Aid Dispensing in 1982. For 14 years, he owned and operated Hearing Care Associates, a private audiology practice in the U.S. In 1996, he founded Sonus-USA, Inc.which is now part of the largest corporate audiology chain in the world. In 2003, Dr. Frazer re-entered private practice in Brentwood, California, as owner of Pacific Hearing, Inc., a public corporation traded OTC, and Director of Audiology at Pacific Eye & Ear Specialists, Inc. Previously, Dr. Frazer was a UCLA Clinical Instructor in the Department of Head & Neck Surgery at Olive View Medical Center, and an Adjunct Professor for the Kirksville College of Medicine/Arizona School for Health Sciences Doctor of Audiology Program. Since 1999, he has been a facilitator for the University of Florida Doctor of Audiology Program.

7. Mr. Umesh Patel , Age 50, Director

Mr. Umesh Patel is currently the President and Vice President of Marketing and Sales at Digital Learning Management Corporation, a public corporation □DGTL,□ OTCBB, where he was formerly the Chief Financial Officer. Previous to this position, he was with WebVision, Inc. At WebVision, Inc., Mr. Patel was the controller, and assisted in raising equity for international expansion. From 1990-2001, Mr. Patel was the President of Tech Med Billings Services.

Officers:

1. Mr. Aizhong An, Age 62, CEO
□See prior biographical description□

2. Mr. Samuel Liu, Age 44, COO
□See prior biographical description□

3. Mr. Jiming Zhu, Age 53, Vice President, CFO, Treasurer
□See prior biographical description□

4. Mrs. Junhui An, Age 35, Vice President
□See prior biographical description□

5. Ms. Maggie Zheng, Age 35, Secretary
Ms. Zheng has been Vice President in charge of the commercial banking division of United Commercial Bank, a state chartered bank, in City of Industry, California from April of 2006 to the present. From 2005 to 2006, she directed international banking operations for East West Bank, a private banking facility, in Pasadena, California. From January 2002 to December 2004, she worked for Washing International Group,

an international business development company in Chicago, Illinois. Ms. Zheng holds an MBA degree from De Paul University awarded in 2003.

Proposed compensation and sharehold interest of new management and principal shareholders.

In the following tables, Croff will set-out the total compensation for each anticipated principal officer of the surviving entity immediately upon the effective date of the Share Exchange. Compensation includes all forms of compensation, such as salary as well as any indirect compensation such as payment of insurance or other benefits. Also included in the compensation table are any stock rights and options which will exist as of the time immediately following the effective date of the Share Exchange. Thereafter, the new management has agreed to not seek or accept any increase of compensation for six months from the Effective Date of the share exchange. Any material change in compensation will be subsequently reported by the Company in various securities law filings under the Securities and Exchange Act of 1934. The second of the two following tables will set-out the sharehold interest and percentage ownership of the new management and significant shareholders for the Company immediately upon the Effective Date of the share exchange.

SUMMARY COMPENSATION

Name, Position and Address	Annual Salary or Other Direct Compensation	Valuation of all Indirect Benefits	Stock Warrants or Other Stock Rights
Aizhong An CEO, Chairman 148 Chaoyang Street Taiyuan, Shanxi China	$19,200	None	None
Samuel Liu President, COO 22128 Steeplechase Lane Diamond Bar, CA 91765	$60,000	None	None
Jiming Zhu Vice President, CFO, Treasurer 148 Chaoyang Street Taiyuan, Shanxi China	$19,200	None	None
Junhui An Vice President 148 Chaoyang Street Taiyuan, Shanxi China	$24,000	None	None
Maggie Zheng Vice President, Secretary 25 N. Elmolino St. Apt E Alhambra, CA 91801	$42,000	None	None

SHAREHOLD INTEREST OF MANAGEMENT AND SHAREHOLDERS HOLDING OVER FIVE PERCENT OF SHARES

New Croff Directors, Nominated by TRBT (1)	Capital Paid In Currency to TRBT	Percent of Current Registered TRBT Capital	Number of Croff Common to be Issued (shown as a % of total Croff common after closing **12,049,642**
1. An, Aizhong Director, Officer 148 Chaoyang Street Taiyuan, Shanxi China	RMB 1,280,000	80%	54.3% 6,542,630
2. Liu, Yong Beneficial Shareholder 210 Tower B, Hi-Tech Plaza Tian An Cyber Park, Futian Shenzhen, China 518048	0	0%	5.92% 713,302
3. Wang, Tao Beneficial Shareholder 170 Hongqi Ave Haerbin, China 150030	0	0%	8.88% 1,069,954
4. Huang, Hai Beneficial Shareholder 3105 Bank of America Tower Central Hong Kong	0	0%	7.9% 951,873
5. Deng Xiangjun Beneficial Shareholder CMA Building 64 Connaught Rd Central Hong Kong	0	0%	7.9% 951,873
TOTALS	RMB 1,280,000	80%	84.90%- 10,229,632

(1) Beneficial Shareholders includes shares held by controlled entities. See table on page 19.

DISCUSSION OF PROPOSED REMUNERATION

The initial total remuneration to be paid to the principal officers and directors of the Company, post effective date of the Exchange Closing, as outlined above, is modest by U.S. standards. Further, each shareholder or prospective shareholder should note that no front-end stock options or rights have been created

or granted to management or will exist as of the effective date of the closing. However, after an initial commitment not to alter or amend compensation for six months, management may create new and enhanced compensation to management, including various management stock options, warrants or other stock rights. It is unlikely that any increase in compensation, as approved by the Board, will require initial shareholder approval, but management stock option programs most likely will be submitted at some point for shareholder ratification or approval. Further, because of the minority status of public shareholders in the Company, there will be essentially no independent approval or check upon the granting of compensation to management as it may deem appropriate. These matters are further discussed in this proxy under the Risk Factor section. While not directly a compensation issue, it should be further understood that the Company will most likely be required to employ substantial independent legal and accounting experts initially who will advise the Company as to ongoing compliance and operation as a U.S. public company and these third party service expenditures will probably constitute a significant cost and burden to the Company, particularity during its reorganization period.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Historically, as well as will be the situation after the effective date of the closing of the proposed Share Exchange and Reorganization, there has existed and will continue to exist various control relationships in this Company which have resulted in transactions which cannot be considered as true "arms-length" transactions between independent parties. Historically, Mr. Gerald L. Jensen and affiliated entities have been the majority and controlling shareholder. While the Board has independently passed upon various proposals and transactions related to transactions with Mr. Jensen, as previously reported, these transactions could not be considered as fully independent arms length transactions between independent parties. In the same light, the new management group and its principal shareholder, Mr. Aizhong An, will have a substantial control position in the public entity and may engage in various transactions related to issuance of shares, stock options or rights or other forms of compensation which, while passed upon by the Board of Directors, may not constitute fully independent or arms length transaction in this Company.

Present management or anticipated new management cannot foresee or predict all potential conflicts or related party transactions that may arise in the future, but believe that the following may constitute some of the more significant historical and potential future related party transactions which are set-out below in outline fashion and, as to past events, have been more fully treated and set-out in prior disclosures to shareholders in public filings by Croff:

- As to the prior tender for the Preferred "B" shares by Mr. Gerald L. Jensen and related entities in 2005, no independent fairness opinion was obtained. While Croff's Board of Directors acting as an independent committee, believed that the terms and conditions for such tender were fair and reasonable, it should be understood that no independent determination of such factors by a fully independent individual or group was employed.

- As to the aspects of the present Share Exchange Agreement dealing with the cash and stock tender for remaining Class B preferred assets of the Company by Mr. Gerald L. Jensen and related entities, again there has been no fully independent fairness opinion or review. The Company's Board believes that such terms are reasonable based upon the present economic status and circumstances of the Company, but each investor should consider the lack of such independent fairness opinion or review as an essential risk factor as it pertains to this related party transaction.

- The ongoing business of the Company will be substantially controlled by Mr. Aizhong An who will hold a preponderate majority of the outstanding shares of the Company for the foreseeable future. As a result, decisions and transactions between Croff and Mr. Aizhong An will not be fully arms-length transactions, even if reviewed and passed upon by an independent majority of the Board. Further, there is no assurance or guarantee that the Board can, or will, act independently of Mr. Aizhong An's influence. In all events, Mr. An will be in a substantial majority sharehold position to determine direction and terms of any transactions by the Company for the foreseeable future, subject to only to board review and approval. Ultimately, Mr. An may also elect such further or replacement individuals to the Board as he deems appropriate and may thereby, exercise ultimate control and authority over the future operations, business decisions and management of the Company.

- Historically, Croff has reported other related party transactions as part of its current 10-K filing which is incorporated by this reference; but does not believe such disclosures relevant to its ongoing activities pursuant to the reorganization.

MANAGEMENT'S STOCK RIGHTS AND OPTIONS

As previously noted, there were no remaining stock options, warrants or other stock rights held by management as of the Effective Date of the Stock Exchange Agreement, nor will there be any such rights as of the Effective Date of the closing of the transaction described by this Proxy Statement. New management will not have or be entitled to any stock options, warrants or other stock rights for a period of six months from the Effective Date. However, as noted above, in the future the new management may determine and create various forms of executive stock rights or options with or without shareholder approval and subject only to public disclosure. Further, because Mr. Aizhong An will be the predominate shareholder in Croff, there will not be any direct public restraint or direction as to the nature, amount or timing of such stock rights or warrants after the initial six month period.

AUDIT COMMITTEE

Prior to 2004, the Company did not have an Audit Committee. However, under existing statutory requirements, the Company implemented, as of January 1, 2004, an audit committee complying with the requirements of the Sarbanes-Oxley Act. From 2004 through December 12, 2006, Mr. Dilworth Nebeker as Chairman & Mr. Ed Peiker, served on the audit committee. After December 5, 2006, Mr. Harvey Fenster, as Chairman and Mr. Richard Mandel, as a member, served on the audit committee.

CORPORATE PERFORMANCE GRAPH

Normally contained in this section would be a graph comparing the company's stock performance to the performance of the general market on which it trades, as well as comparisons to the relevant industry segment of that market. However, because during the last year, Croff had only a very limited trading market on the Electronic Bulletin Board, it is deemed such presentation would be inaccurate and potentially misleading. Croff continues to have very limited trading activity. The trading range during the last year has ranged from approximately $1.40 per share to $3.00 per share. Since December 15, 2006, a more active market has developed and it may be possible to chart this activity in the future.

MATTERS SUBJECT TO SHAREHOLDER VOTE

I.

ELECTION OF DIRECTORS

The resigning Croff Board consists of Gerald L. Jensen, Richard H. Mandel, Jr., Harvey Fenster and Julian D. Jensen. The new slate of directors, whose election is urged, are more fully described above.

II.

VOTE ON SHARE EXCHANGE AND RELATED ACQUISITION TERMS

General Description of Share Exchange and Acquisition

On December 12, 2006, Croff entered into a definitive Stock for Stock Equivalent Exchange Agreement with TRBT as generally described above. A basic outline of this transaction has been included in the forepart of this Proxy Statement and was also generally described in the 8-K filing made contemporaneously with the execution of the Exchange Agreement. Also, attached to that prior 8-K filing on or about December 14, 2006 was a copy of the complete Stock Exchange Agreement with exhibits. Each party reviewing this Proxy may wish to review that completed Agreement as previously filed as an attachment to the 8-K filing at the SEC website at www.sec.gov; or, alternatively, a copy may be reviewed at the Croff company website at www.croff.com., by clicking on corporate profile, then all SEC filings. Additionally, a written copy can be obtained directly from the Company by telephone or mail request without cost. Management of the Company is further willing to discuss any terms and provisions of this Agreement in more detail with any shareholder, prospective shareholder or other interested parties.

The Company herewith incorporates the complete Stock Exchange Agreement as described above as part of this description without setting-out or outlining again in detail all of all of the relevant terms and provisions of such Agreement. In outline fashion, the Agreement and resulting acquisition are described as follows:

1. Upon the successful confirmation of the Share Exchange and the Effective Date of the closing, Croff will be acquiring an eighty percent (80%) interest in the issued and outstanding equity of TRBT, which in turn owns seventy six percent (76.1%) of all equity interest in six shopping malls in or around the city of Taiyuan, China. As a result, Croff is acquiring a net equity interest in the properties of approximately sixty one percent (61%). It is believed that TRBT owns all of the physical buildings in the six shopping malls specifically described in attachments to the Share Exchange Agreement and more fully described below.

2. The inventory and other personal property located in the malls are held by various lessees who act as both wholesalers and retail merchants for various consumer products, and house wares for public sales within the shopping malls. The principals core products sold within the malls include various consumer clothing and household items, stationary, jewelry, household goods, books, electronics, appliances, cameras and other miscellaneous consumer products.

3. It is anticipated that Mr. Aizhong An will continue as a principal manger of the TRBT properties and will continue to own the majority of the equity interest through his shareholder interest in Croff, being a 54.3% shareholder of Croff as of the Effective Date of the closing.

4. It should be noted that the underlying real property upon which each mall is located is state owned and is made available to TRBT on a long term license basis as indicated below under the description for each mall location. There can be no assurance or warranty that the government of China, which continues to own the underlying real property, will renew or extend such licenses upon the completion of the initial terms and such must be considered as potential risk factor in this transaction. Moreover, the physical structures constituting the malls will most likely be treated as appurtenant to the licensed property.

5. Upon the completion of the Effective Date of the Share Exchange, Mr. Aizhong An and affiliated parties will own 92.5% of the issues and outstanding shares of Croff and the remaining public and prior principal shareholders will collectively own the remaining 7.5%, with the public shareholders retaining 3.75% or approximately one half of the 7.5% .

6. At present, there is no commitment or undertaking of the Company after the closing to commence the payment of dividends from anticipated earnings and no one should continue to hold or acquire stock in the Company upon any assurance or expectation of dividends as it is most likely that the Company will continue to retain any earnings for growth or development purposes for the foreseeable future.

7. While the shopping malls, as generally described below, collectively, are currently profitable in operations, there can be no assurance of ongoing profitability. Most tenant leases in the malls are prepaid lump sum net leases ranging in term from five to ten years.

8. Croff will transfer out, as part of the acquisition of TRBT, all of its existing oil and gas assets and will become a real estate enterprise. As previously outlined above, this will be done by transferring such assets to a new subsidiary and then exchanging 67.2% of the stock in this subsidiary with, Croff Principal Shareholders, in consideration for the return of their outstanding Preferred B shares, constituting approximately 67.2% of all issued and outstanding Preferred B shares. The Croff principal shareholders will make an additional payment of six hundred thousand dollars ($600,000) in consideration for the remaining 32.8% of the new subsidiary□s shares. This will complete the transfer of all the oil and gas assets to the Croff principal shareholders. As noted above, no independent evaluation of these assets was completed, but the present Board determined in approving the Share Exchange Agreement that such consideration appeared to be fair and reasonable. As a result of these transactions, the Company will have no further preferred B shares or assets and each Preferred □B□ shareholder, other than Mr. Gerald L. Jensen and affiliated entities, will receive two common share of Croff for each preferred B share converted and cancelled of record by the Company. All preferred □B□ shares will be cancelled at the closing. The Company may treat such prior preferred B share interests as lost or abandoned property after the appropriate time period under applicable laws for lost or abandoned property in the state of Utah, after giving the minimum required notice of exchange through this Proxy or as subsequently determined appropriate by the Company.

9. From the $600,000 consideration received from the Croff principal shareholders, the Company has determined to pay a $.20 per share cash dividend to all common shareholders of record prior to the Effective Date of the closing of the Share Exchange Agreement. In addition, from the $600,000 there will be paid a $10,000 retirement stipend to each of the non-management directors. The Company paid such a stipend to the two

directors, who resigned in December, 2006. The balance of the $600,000 will be retained by the Company for transitional costs and ongoing business purposes as determined by its Board of Directors. There will be not less than $530,000 in cash assets left in Croff at closing, pursuant to the Exchange Agreement.

10. Contained earlier in this Proxy Statement is a brief biographical depiction of each of the proposed directors and principal officers to be elected pursuant to this Proxy solicitation process. It should be understood while the proposed board and anticipated new principal officers have extensive experience in running the malls as acquired by the Company in the PRC, they do not have any prior experience or expertise in the operation of a U.S. public company and will be required to retain various management, legal and accounting experts to assist in the operation of a public company in compliance with the SEC and NASD regulations as well as any state regulatory issues and corporate law.

11. New management for Croff have indicated that upon the Effective Date of the closing, they will continue for the foreseeable future to operate the Company under its current business name of Croff Enterprises, Inc. and will for an interim period maintain Croff as a Utah public company. Management has also entered into an undertaking, as more fully discussed above, not to increase salaries or other compensation or create any stock rights or warrants to management for a period of six months from the Effective Date of the closing of this transaction.

12. It should be noted that two directors of the Company, Mr. Gerald. L. Jensen and Mr. Julian D. Jensen, intend to vote a majority of the common shares held between them in favor of this transaction and election of the new directors, thereby assuring its passage, subject only to dissenting shareholder rights as previously and subsequently explained in this Proxy solicitation. Mr. Gerald L. Jensen, also individually or through controlled entities, holds a majority of the preferred B shares and has committed to vote those shares in favor of the transaction. As a result, while the Company is interested and does solicit your vote in favor of the proposition, it should be understood that the Share Exchange will be approved based upon the committed votes to date and that if any shareholder is dissatisfied with the terms of this transaction, the sole remedy of any such dissenting shareholder will be the exercise of the dissenting shareholder rights as provided under Utah law and as more fully described in this Proxy solicitation. Election of directors cannot be completed under Utah law by majority shareholder consent and requires an actual vote of all shareholders.

13. The Share Exchange Agreement provides that if 17% or more of the issued and outstanding shareholders (common and preferred) elect to exercise Dissenting Shareholder Rights, as explained in this Proxy material, TRBT may elect to rescind the Share Exchange Agreement.

14. The Exchange Agreement requires the shareholders to approve an increase in the authorized Preferred "A" shares from five million (5,000,000) to ten million (10,000,000) shares, no par. No preferred share will be issued or outstanding at the close. The authorized Common shares are to be increased from twenty million shares (20,000,000), $0.10 par value, to one hundred million (100,000,000) common shares.

Exemption Claims for Shares Issued

As referenced earlier, Croff is claiming an exemption from registration for the approximately 11,0000,000 restricted common shares being beneficially issued to the TRBT shareholders in exchange for their TRBT stock. As noted in the prior sharehold schedules, most of the TRBT shareholders are acquiring Croff shares through

controlled foreign entities. As to these shares, Croff has taken the position that the TRBT shareholders remain the beneficial owners subject to reporting and disclosure requirements. Croff is primarily relying upon the SEC Regulation S exemption from registration to issue shares to any person or business entity which is not a U.S. citizen with restrictions on resales to U.S. citizen or into U.S. markets as essentially imposed under Rule 144 and as noted in an appropriate legend on such shares.

In the event of the deemed issuance of any of the unregistered Croff exchange shares to a U.S. citizen, Croff is informed and will be relying upon the fact that such shareholder will be an Accredited Investor exempt from registration as such term is defined under federal and state securities law and regulations. Croff will employ the appropriate subscription, compliance documents and stock legends to insure compliance with the above claimed exemptions from registration for the Croff restricted exchange shares.

General Description of Malls

Following is a general description of each mall by location, date of construction, size and revenues. The Chinese currency, RMB, also know as Yuan, is shown in US dollars on the ratio of 1:8 where 8 RMB equals one US dollar. The malls are listed in the order in which they were built. The annual revenue per square meter ranges from approximately 42 to 89 dollars per square meter. The difference in revenue is primarily due to lower value leases, due to tenants with lower margins and goods requiring more floor area per dollar of sales so that lease rates are lower in some malls. As leases expire, rates are increased to current market rates. Lease income constitutes approximately 55% of the annual revenue and management fees, collected monthly, constitutes approximately 45%. The occupancy rate on the six existing malls is currently near 100%, with a waiting list for vacant space.

- Mall 1- Taiyuan Clothing City

Located at Chaoyang St., Taiyuan Dongcheng, Shanxi Province, PRC. Built in 1992, it has seven floors and 51,940 square meters of retail space and houses the offices of TRBT. It currently has approximately 1,600 tenants. Annual lease revenues earned in 2006 by TRBT were approximately 14,836,485 RMB or $1,854,561 US dollars.

- Mall 2- Jinpin Clothing City

Located at West Chaoyang St., Taiyuan Dongcheng, Shanxi Province, PRC. Built in 1993, it has seven floors and 29,640 square meters of retail space. It currently has approximately 500 tenants, annual lease revenues earned in 2006 paid by TRBT of approximately 21,166,415 RMB or $2,645,802 US dollars.

- Mall 3- Longma Shopping Mall

Located at Chaoyang St., Taiyuan Dongcheng, Shanxi Province, PRC. Built in 1993, it has five floors and 17,000 square meters with woolen and winter goods in 12,000 square meters of retail space. There are approximately 260 tenants. Annual lease revenues earned in 2006 by TRBT were approximately 4,046,660 RMB or $505,850 US dollars.

- Mall 4- Yudu Minpin Shopping Mall

A five story mall located at West Chaoyang St., Taiyuan Dongcheng, Shanxi Province, PRC. Built in 1996 with total are of 12,000 square meters, but 9,000 square meters of leaseable retail space. It currently has approximately 500 tenants. Yearly lease revenues earned to TRBT by 2006 were approximately 3,332,543 RMB or $416,568 US dollars.

- Mall 5- Xindongcheng Clothing Distribution Mall

Located at Hao Zhuang St., Taiyuan Dongcheng, Shanxi Province, PRC. Built in 2004, it has five floors and 48,000 square meters of retail space. It currently has approximately 800 tenants. Annual lease revenue earned in 2006 by TRBT were approximately 15,996,210 RMB or $1,999,526 US dollars.

- Mall 6- New Xicheng

Located at Chaoyang St., Taiyuan Dongcheng, Shanxi Province, PRC. Built in 2006, it has six floors and 43,000 square meters of retail space. It currently has approximately 400 tenants. Annual lease revenues earned for the next twelve months beginning the second half of 2006 were approximately 16,377,072 RMB or $2,047,134 US dollars.

Capitalization of Croff after Closing

The capitalization of Croff immediately after the Effective Date of the Closing has been narratively described above under the general description of the transaction, but is set out graphically in the following table:

Name of TRBT Shareholder	Capital Paid In Currency to TRBT.	Percent of Current Registered TRBT Capital	Number of Croff Common to be Issued (shown as a % of total Croff common after closing - [a] **12,049,642**
1. Mandarin Century Holdings Ltd., BVI Owned 100% by An, Aizhong	RMB 1,280,000	80%	54.3%, 6,542,630
2. Master Power Holdings Coup Ltd.,BVI Owned 100% by Chen, Feng	0	0%	5.92%, 713,302
3. Accord Success Ltd., BVI Owned 100% by Wang, Tao	0	0%	8.88%, 1,069,954
4. Investing in Industry, Inc.	0	0%	.98%, 90,079
5. Fresno Consulting, Inc.	0	0%	1.97%, 265,366
6. WB Capital Group, Inc.	0	0%	3.9%, 469,912
7. Kind Achieve Group Ltd., BVI	0	0%	.74%, 89,161
8. All Possible Group Ltd., BVI	0	0%	7.9%, 951,873
9. Grand Opus Co. Ltd., BVI	0	0%	7.9%, 951,873
TOTALS	RMB 1,280,000	80%	**92.49%** **11,144,150**
Croff Principals and Public Shareholders	0	0	**7.51%** **905,492**
TOTALS	RMB 1,280,000	80%	**100%** **12,049,642**

a The percentages have been adjusted and the actual shares to be issued also had to be adjusted pro rata to balance since the percentages are rounded to the nearest 1/100ths.

Description of Croff Properties to be Sold

The preferred B oil and gas assets transferred by Croff to the Croff principal shareholders, (Mr. Gerald L. Jensen and affiliated entities), are more particularly described in the attached and incorporated Schedule C to the Share Exchange Agreement as referenced above. By way of general description, these oil and gas properties constitute primarily non-operated oil and gas and working and royalty interest primarily located in Utah, with additional interest in the states of Alabama, Montana, Wyoming, Oklahoma, North Dakota, Michigan, New Mexico and Texas, along with affiliated bank accounts, receivables, payables, and all liability plugging and abandoning costs. A more complete description of these oil and gas assets, including revenues and reserves, are set-out in Croff□s 10-K for the reporting period ending December 31, 2005 as incorporated by this reference and the Schedule □C□, identified above, to the Share Exchange.

In July 2006, the Company sold directly to unrelated parties its principal oil and gas interest in DeWitt County, Texas. This oil and gas asset belonged to the common stock account. Please review the Croff 10-K in the Annual Report for 2005, previously sent to you, for a complete discussion of the common stock assets in Dewitt County, Texas. The common stock account was unable to sell and had to retain two non-operated properties and some tubing in Dewitt County at a book value of $82,873. The Croff principal shareholders agreed to acquire these miscellaneous oil and gas assets at the Company□s cost, as well as assuming all plugging and other liabilities, if the company doesn□t sell them at a higher price before closing. The Exchange Agreement requires all oil and gas assets and liabilities to be sold before closing.

Description of the TRBT Business

Following the Acquisition of TRBT, Croff□s most significant asset will be the shopping malls in Taiyuan, China. After closing, Croff intends to relocate its offices in the United States, to the Los Angeles area in California. The current offices in Denver will be closed.

The following is a brief description of the business and values of the businesses to be operated by Croff after this acquisition.

The city of Taiyuan is the capital of Shanxi Province, located in the Northwest China industrial area, approximately 400 kilometers west by southwest of Beijing. It is a region of heavy industry, producing coal steel, machinery, and other heavy industrial goods. Taiyuan is the major commercial city with a metropolitan population of approximately 3 million people. The City is built along the river Fen He and the shopping malls are in the retail shopping district in the Southeast section of the City. The original mall constructed was the Taiyuan Clothing City, which was developed beginning in 1992, by the Chairman and Founder of the Company, Mr. Aizhong An. This first shopping mall was built on the grounds of a former farmer□s cooperative located within the expanding boundaries of the city. The mall was built on the Asian model of a marketplace with many small tenants on multiple floors, leasing stores or spaces within the mall. Articles sold ranged from dry goods to finished clothing to consumer products. The Taiyuan Clothing City Mall has approximately 52,000 square meters on seven floors.

Following the success of the first mall, two more were built in 1993 within this same three block area. The Jinpin Clothing City Mall was built in 1993 with 29,640 square meters of retail space. The Longma Shopping Mall with 17,000 square meters of space, was also constructed in 1993, and along with the Jinpin Clothing City Mall approximately doubled the total mall space to over 100,000 square meters of retail and wholesale space in three malls. The malls were financed by pre-selling to tenants, and/or outside investors, leases on space within the malls. The money from these pre-sold leases, along with other short term loans, were utilized to finance

the construction of the buildings. The buildings are of poured concrete and cinderblock construction with a tile or stucco finish and tile roofs. In 1996, the Yudu Minpin Shopping Mall was added to the previous three malls. It was a smaller mall with 14,000 square meters of retail space, located on West Chaoyang Street near the Jinpin Clothing City Mall. In 2004, the Xindongcheng Clothing Distribution Mall, with larger spaces for wholesalers, was completed with 48,000 square meters of retail space. This larger mall was constructed using the same plan of tenant financing used in the earlier malls. In 2006, the sixth mall, the New Xicheng Mall located approximately two blocks on the opposite side of Chaoyang Street was built. It is six floors high with 43,000 square meters of retail space. The official opening for this mall will be conducted in early 2007, although it is currently occupied and operating.

Per the People□s Republic of China□s governmental regulations, the Government owns all land. The Company has recognized the approximately $9.8 million paid for the acquisition of rights to use land as an intangible asset which it is amortizing over a period of forty years. Because there is no assured continuing ownership from the state, a risk factor exists that the government could refuse to renew or recall the ground license with the result that the central government may obtain partial or complete control of the malls, with or without compensation. Croff, despite reasonable due diligence, is now convinced the license is not based upon a written instrument and there is no title recording process. The mall structures, per se., are evidenced by a certificate of ownership from the regional provincial government, but no property recording system is employed.

The Company covers its current expenses based on management fees to cover management, janitorial, security, and utilities, which is charged on a monthly basis throughout the term of the lease. This revenue is shown in the financial statements as □other revenue.□ Other revenue is primarily made up of these management and service fees. The prepaid lease income is primarily used to finance expansion by building additional malls. The buildings are built on a former cooperative, whose members retain a 23.9 percent ownership, which is shown as a minority ownership on TRBT□s financials.

Management□s Discussion and Analysis of
Financial Conditions and Results of Operations

Croff Enterprises, Inc. Critical Accounting Policies and Estimates

The Company□s discussion and analysis of its financial condition and results of operation are based upon financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Company analyzes its estimates, including those related to oil and natural gas revenues, oil and natural gas properties, marketable securities, income taxes and contingencies.

The Company bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. Assuming this acquisition closes, the Company□s past oil and gas accounting practices will have little relevance on the future real estate business of the company. The Company accounts for its oil and natural gas properties under the successful efforts method of accounting. Depletion, depreciation

and amortization of oil and natural gas properties and the periodic assessments for impairment are based on underlying oil and natural gas reserve estimates and future cash flows using then current oil and natural gas prices combined with operating and capital development costs. Historically, oil and natural gas prices have experienced significant fluctuations and have been particularly volatile in recent years.

Liquidity and Capital Resources

At September 30, 2006, the Company had assets of $1,873,085 and current assets totaled $1,150,415 compared to current liabilities of $204,261. The Company's current assets are the combinations of cash and cash equivalents and accounts receivable and the Company's current liabilities are a combination of accounts payable, asset recovery liability and accrued liabilities such as provision for income taxes. Working capital at September 30, 2006 totaled $946,154, an increase of 51% compared to $625,862 at December 31, 2005. The Company had a current ratio at September 30, 2006 of approximately 5:1. During the nine month period ended September 30, 2006, net cash provided by operations totaled $316,439, as compared to $274,620 for the same period in 2005. This increase was due to the gain on sale of the Panther Pipeline and the Edwards Dixel Gips lease in Dewitt County, Texas in 2006, and the write-off of a portion of the Dewitt County assets in 2005. The cost basis for the Panther pipeline was $40,000 and the cost basis in the Edwards Dixel Gips lease was $102,459, for a total of $142,459. The proceeds from the sale were $255,000 yielding a gross gain for this transaction of $112,543. The Company had no short-term or long-term debt outstanding at September 30, 2006. In December, 2005, the Company purchased 16,156 shares of its common stock at a cost of $24,643, which is included in the treasury at September 30, 2006.

If the Company completes this acquisition, the future cash flow will bear no relationship to current uses of the company's liquidity. Future cash flows are subject to a number of variables, including the level of production and oil and natural gas prices. There can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain planned levels of capital expenditures or that increased capital expenditures will not be undertaken.

The Company believes that borrowings from financial institutions, projected operating cash flows and the cash on hand will be sufficient to cover its working capital requirements for the next 12 months, in the event the acquisition does not occur. The use of cash, in the event of the completion of the TRBT acquisition, is set out herein.

While certain costs are affected by the general level of inflation, factors unique to the oil and natural gas industry result in independent price fluctuations. Over the past five years, significant fluctuations have occurred in oil and natural gas prices. Although it is particularly difficult to estimate future prices of oil and natural gas, price fluctuations have had, and will continue to have, a material effect on the Company. Overall, it is management's belief that inflation is generally favorable to the Company since it does not have significant operating expenses.

Results of Operations

Three months ended September 30, 2006 compared to Three months ended September 30, 2005.

The Company had net income for the third quarter of 2006 which totaled $154,153 compared to net income of $111,763 for the same period in 2005. This increase in income in 2006 was primarily due to the gain on the sale of the leases in Dewitt County, Texas.

Revenues for the third quarter of 2006 totaled $368,380, a significant increase from revenue in the third quarter of 2005 of $254,347 primarily because of the gain from the sale of the Edward Dixel Grips lease in Dewitt County. Oil and natural gas sales for the third quarter of 2006 totaled $231,180, a 6.5% decrease from $247,288 in the same period in 2005. A decrease in oil prices and natural gas prices were the factors causing this decrease in oil and natural gas sales compared to the same period in 2005. Interest income rose from $7,059, which was categorized under other income in the third quarter of 2005 to $24,657, which is categorized under interest income in the third quarter of 2006. The interest income increased because there was an increase in deposits and from the settlement of the *Parry v. Amoco Production* case. The interest income attributable to the bank deposits is $10,804 and the interest income received from the settlement totaled $13,853 yielding a combined total of $24,657.

For the third quarter of 2006, lease operating expenses, which include all production related taxes, totaled $73,394 compared to $42,253 incurred for the same period in 2005. In the third quarter of 2006, the Company participated in additional well workovers resulting in higher lease operating costs compared to the same period in 2005 in which the company had less workovers and remedial work. Estimated depreciation and depletion expense for the third quarter of 2006 were unchanged from the third quarter of 2005, at $12,000.

General and administrative expense, including overhead expense paid to a related party, for the third quarter of 2006, totaled $55,366 compared to $47,001 for the same period in 2005. The increase in the general and administrative expense and overhead is due to an increase in legal, accounting and other expenses related to the Exchange Agreement and annual report printing fees. Accretion expense for the Asset Retirement accrual was $7,640 in the third quarter of 2005 compared to $1,467 in the same period in 2006. The reason for this decrease is the Company established an accretion expense account in the third quarter of 2005, and accrued a higher amount to establish the reserve. The amount reflected in the third quarter of $1,467 is the average quarterly amount of the accretion expense.

Provision for income taxes for the third quarter of 2006 totaled $72,000 compared to $29,690 from the same period in 2005. This increase is primarily attributable to an increase in net income for the quarter, which also results in a higher tax bracket.

Nine Months ended September 30, 2006 compared to the Nine months ended September 30, 2005.

Revenues for the nine months ended September 30, 2006, totaled $ 817,365, a 25% increase from the revenues of $652,943 at September 30, 2005. The increase is primarily due to the gain on the sale of the Edward Dixel Gips lease in Dewitt County, Texas. Revenue also increased from the settlement of the *Parry v. Amoco Production* case, in which the Company received disputed past natural gas revenue plus accrued interest. The amount of the settlement was $20,963 for the natural gas revenue and $13,852 for the interest that was due, yielding a combined total of $34,606. The interest income for the nine months ending September 30, 2006 is attributable to bank deposits is $10,804, and interest income received from the settlement totaled $13,853, yielding a combined total of $24,657. Other income in the nine months ending September 30, 2005 was $25,669, which includes sale of equipment, lease bonuses, and interest income of $7,060.

Net income for the nine months ended September 30, 2006 totaled $291,276, and for September 30, 2005, totaled $197,271. This increase in net income was due to the gain on the sale of the Edward Dixel Gips lease in Dewitt County, Texas, and the settlement amount described in the previous paragraph. Other income in the quarter ending September 30, 2005 included interest income which was listed separately in 2006. Lease bonuses were listed in other income in 2005 and in oil & gas income in 2006.

Oil and gas sales for the nine months ended September 30, 2006, totaled $666,286 a 6% increase from the $627,274 for the same period in 2005. The increase in oil and gas sales in 2006 compared to 2005 is primarily attributed to a slightly larger number of producing assets in 2006.

Lease operation expense, which includes all production related taxes for the nine months ended September 30, 2006 totaled $196,552, a 6% decrease from $209,016 in 2005. Lease operating expenses decreased slightly because of the sale of leases which contributed to expenses in the third quarter of 2006. Depletion and depreciation expense for the nine months ended September 30, 2006 totaled $36,500 compared to $33,000 incurred in the nine months ending on September 30, 2005. This increase was due to the small increase in producing assets in 2006. Accretion expense for the Asset Retirement accrual was $7,640 in the third quarter of 2005 compared to $4,401 in the same period. This decrease occurred because in 2005 the Company established the asset retirement accruals and expensed the additional amount that needed to be expensed.

General and administrative expenses, including overhead expense paid to related party, for the nine months ended September 30, 2006 totaled $178,636 compared to $141,476 for the same period in 2005. The increase in general and administrative and overhead expenses is primarily attributed to the costs of the audit increasing, printing and other costs paid to related third parties, and the higher professional fees of the Company. Part of the increase in legal and accounting costs must be attributed to exploring strategic alternative proposals and in completing the due diligence related to the review of the proposal resulting in the Exchange Agreement. The Company has also incurred additional costs during 2006 associated with compliance with the Sarbanes-Oxley Act of 2002.

Provision for income taxes for the nine months ending September 30, 2006 totaled $110,000 compared to $45,540 from the same period in 2005. This increase is due to expected higher income in 2006 which will cause the Company to pay higher income taxes.

TRBT Financial Statements

Liquidity and Capital Resources

At September 30, 2006, TRBT had assets of $79,304,910 and current assets totaled $10,604,547 compared to current liabilities of $20,738,777. TRBT's current assets are the combinations of cash and cash equivalents and loans to employees and others. TRBT's current liabilities are a combination of accounts payable, taxes payable, deferred income, and short-term loans. TRBT's current liabilities include $12,092,521 in deferred income. This money was received in the form of pre-paid rents, which was then used to build real estate assets, but will be replaced as income only for the portion for the current year of the multi year lease. Working capital at September 30, 2006 totaled $10,134,230, a decrease of 0.4% compared to $10,129,868 at September 30, 2005.

The Company had a current ratio at September 30, 2006 of approximately 1:2. During the nine month period ended September 30, 2006, net cash provided by operations totaled $4,749,102, as compared to $(205,529) for the same period in 2005. This increase was due to increased revenue and a smaller increase in expenditures.

TRBT's balance sheet reflects its major liabilities are due to prepaid leases which fund construction of additional malls. This reflects the practice of financing the shopping malls through the use of prepaid tenant leases. Normally, in the United States, a long term mortgage would be utilized, which would increase the cash flow and decrease the liability of deferred income as shown on the TRBT balance sheet. Deferred income, current, is $12,092,521 and long term deferred income is $22,896,756, for a total of approximately $35,000,000. This $35,000,000 in deferred income will remain a liability and increase or decrease based on the amount of prepaid leases and the length of the terms of each lease. The Company has current liabilities which are twice the size of the current assets, primarily due to deferred income, but this liability is paid by providing retail space in the future, not a cash payment.

The Company's liquidity is also subject to numerous loans made and received. The Company has made numerous loans to affiliates and others, which would be unusual for a US company and are prohibited under certain regulatory laws of the United States for a public Company, if these loans were made to officers, directors, insiders, or affiliated persons. Any future loans to directors, insiders, or affiliates are prohibited under U.S. law. With respect to past loans, the Company has created an allowance for uncollectible loans in the amount $5,184,964 as of September 30, 2006. Of this amount, approximately $3.1 million has been written off as a bad debt expense. This item is notable, especially in that currently liabilities exceed current assets by a 2:1 basis, including the deferred income.

It should also be noted that the Company, which would operate as a public company in the United States following the closing, would incur substantial additional costs. These costs would include maintaining an office in Los Angeles, California, personnel in the United States, and increased costs in legal, accounting, auditing and compliance costs, which the Company has not incurred in the past. In addition, the ability of the TRBT management to continue to grow the Company utilizing the financing methods of the past may be limited solely to the market in Taiyuan, China, and may not be applicable in other locations.

The Company's short term plans for ongoing developments and acquisitions is to continue to rely upon prepaid leases as the primary means to finance potential malls or related commercial leases. Subsequent to completion of the acquisition and continued operations as a U.S. company, Croff may explore conventional equity or debt financing to fund future acquisitions. No assurance is made or implied that the Company can realize future funding for acquisitions or expansion of its present activities.

Results of Operations

Three months ended September 30, 2006 compared to Three months ended September 30, 2005.

TRBT did not have comparable figures for the Three months ended September 30, 2005. Please refer to the Nine Months ended September 30, 2006, below.

Nine Months ended September 30, 2006 compared to the Nine months ended September 30, 2005.

Revenues for the nine months ending September 30, 2006 totaled $12,962,500, a significant increase from revenue in the nine months ending September 30, 2005, which totaled $6,301,611. The increase was due to booking revenues for the new sixth Mall for which multiyear leasing was done in 2006. A lesser reason was the re-leasing of expiring leases at the other malls at higher market rates.

The Company had net income for the nine months ending September 30, 2006, which totaled $3,405,894 compared to net income of $1,271,873 for the same period in 2005. This increase in income in 2006 was primarily due to more rents from spaces in the new mall, and re-leasing expired leases at higher market rates, and an increase in management fees.

For the nine months ending September 30, 2006, operating expenses, including bad debt and depreciation and amortization expense, and general and administrative expenses totaled $6,111,152 compared to $4,127,689 incurred for the same period in 2005. The increase in overhead was due primarily to increased maintenance staff and outside contractors to provide tenant improvements. The increase in general and administrative expenses was due to higher professional and advisor fees costs incurred as a result of this Acquisition by Croff.

Provision for income taxes for the nine months ending September 30, 2006 totaled $2,204,376 compared to $720,966 for the same period in 2005. This increase is primarily attributable to more net income, as well as adjustments with the taxing authorities.

One Year ended December 31, 2005 compared to the One year ended December 31, 2004.

Revenues for the one year ending December 31, 2005 totaled $13,148,871, an increase from $11,819,101 for the year ending December 31, 2004. This increase was due to an approximate 10% increase in rental revenue, and an approximate 15% increase in other revenue, primarily management fees.

The Company had net income for the year ending December 31, 2005, which totaled $3,264,406 compared to net income of $2,969,521 in the year ended December 31, 2004. This approximate 10% increase in net income was due to increased revenue in the year ending December 31, 2005 and a reduction in interest expense of approximately $500,000. It should be noted that the net income for the year ended December 31, 2004 did not include a deduction for minority interest as TRBT was not consolidated in that year, but was consolidated in the year ending December 31, 2005, with a minority interest deduction of $1,025,221.

Operating expenses for the year ended December 31, 2005 were $6,448,065 compared to operating expenses of $6,082,022 for the year ended December 31, 2004. Operating expenses for interest decreased significantly from 2004 to 2005, while other general and administrative expenses, including bad debt and depreciation and amortization increased. The end result was an approximate 10% increase in operating expenses.

Provision for income taxes for the year ended December 31, 2005 total $1,824,482. Provision for income taxes in the year ended December 31, 2004, were $1,283,132. This increase of approximately 50% was due to the higher net income in the year ended December 31, 2005, which also included taxes on the minority interest in 2005, with the minority interest being deducted after the calculation for income taxes.

Combined Croff/TRBT Pro-forma Financials Statements

Liquidity and Capital Resources

Based upon the combined balance sheet statements (refer to Schedule F-1), as of September 30, 2006, the combined pro-forma Company had current assets totaling $11,154,547 and current liabilities totaling $20,778,777. The Company had a current ratio at September 30, 2006 of approximately 1:2. The Company s current assets are a combination of cash and cash equivalents, advances to suppliers, short-term loans, and prepaid expenses. The Company s current liabilities are a combination of accounts payable, accrued expenses, short-term loans payable, and deferred income. The largest component is $12,092,520 in deferred income. The combined balance sheet reflects the removal of the assets and liabilities pledged to Croff s Preferred B shares. There was a pro-forma adjustment of $(468,560) in cash and ($131,855) in receivables, which decreases the current assets total from $11,754,962 to $11,154,547. Total long-term debt decreased slightly from $39,800,764 to $39,797,536. The selling of Croff s oil and gas assets is also reflected in a decrease in property, plant, and equipment, which the adjustment in the amount of ($722,670), resulted in a drop in property, plant, and equipment from $43,917,172 to $43,194,502. Retained earnings decreased from $12,003,849 to $400,015, primarily due to the 20% of TRBT ownership not being acquired by Croff and the previous discussed adjustments.

Pro-Forma Statements of Income

The Pro-Forma Statements of Income for the pro-forma combined Company, for the nine months ended September 30, 2006, reflect the deduction of the oil and gas assets and the deduction of the 20% of TRBT not being acquired by Croff. These pro-forma adjustments for the nine months ending September 30, 2006, reflect the loss of oil and natural gas revenue of $666,286 and the reduction of expenses of $342,089 resulting in a combined net income before the pro-forma combination of $3,015,992 and after the pro-forma adjustments (primarily reflecting the transfer of the oil and gas assets) of $2,675,536. Based on 12,049,642 shares outstanding, this results in a pro-forma increase in net revenue per share from the $.15 reported by Croff, to $.22 for the nine months pro-forma for the period ending September 30, 2006.

For the year end period ending December 31, 2005, the adjustments to the pro-forma income are essentially the same, resulting in pro-forma income decreasing from $3,554,293 combined to $3,199,726 after pro-forma adjustments. Based on 12,049,642 shares outstanding this results in a pro-forma increase in net revenue per share from the $(.05) loss reported by Croff to a $.22 gain for the pro-forma for the year ending December 31, 2005.

Financial Statements and Consolidated Pro-Forma Financial Data for the Companies

Please see attached Schedule F-1 for an index of these financial attachments.

Tax Aspects

Each shareholder should consult his/her or its own tax advisor as to the particular federal and state income tax consequences to the shareholder from the receipt of two common shares of Croff Enterprises, Inc. for each Preferred B share currently held by such shareholder. The following discussion is the general opinion of Croff management as to the tax consequences for this transaction to Croff and the preferred "B" shareholders. An independent tax opinion has not been obtained with respect to the consequences of this transaction. The tax aspects will be discussed in three headings below. The first step is the exchange of two common shares for each Preferred B share, the second is the creation of a new entity and the assignment of the preferred "B" assets to that entity and transfer to the Croff principals, and the third is the tax consequences related to the distribution of the remaining preferred "B" assets for cash.

Share Exchange Consequences.

The Company has entered into this Share Exchange transaction on the assumption that the exchange, at no cost or additional consideration to the Preferred B shareholders of two common shares for each Preferred B share now held by such shareholder, will result in a tax free exchange. The individual shareholder would have a carry-over basis in the two newly received common shares equal to that basis which such shareholder currently has in the Preferred B shares. The Preferred B shares were distributed for no additional consideration on a one-for-one basis to each common shareholder in 1996. The cost basis for shareholders holding common shares received prior to 1996, and having taken no other action since, would be the cost basis in each of their common shares prior to the Preferred B distribution in 1996. This basis would now equal their cost basis in three common shares. For example, if the basis in a single common share pre-1996 was one dollar ($1.00), then the average one dollar basis in the original common share averaged with the two additional common shares received for no additional consideration for each Preferred B share, would yield a basis of $.33 1/3 per each common share. If the shareholder acquired the Preferred B shares subsequent to 1996, for example, at $2 per Preferred B share, then the receipt of two common shares for the Preferred B share with a cost basis of $2 would yield a basis of $1 per share for each of the new common shares received.

There are many other potential tax consequences, based upon the status, and tax bracket of the shareholder. For example, whether the shareholder is a non-resident or a partnership, domestic or a foreign corporation, whether the shares were acquired from an estate or through a gift. This discussion does not include any individual shareholder's tax situation, but is intended to provide general tax guidance to the Preferred B shareholder of his basis in receiving new common shares. There is no tax consequence to the continued holding of existing common shares. If there are further questions, the shareholder should contact and follow the advice of his or her own tax advisors.

Creation of New Entity and Assignment of Assets.

With respect to Croff Enterprises, Inc., the Corporation expects that the assignment of its oil and gas assets into a new company entitled "Croff Oil Company," initially owned 100% by Croff Enterprises, Inc., will not be a taxable event for federal or state income tax purposes. Subsequently, the exchange of 67.2% of the common shares of Croff Oil Company for 67.2% of all outstanding Preferred B shares held by the Croff principals is also expected to be a tax free exchange of shares in which the basis of the Company in the Preferred B shares will be the same as its basis in the new Croff Oil Company shares. The Croff principals will be deemed to transfer their cost basis in the Preferred B shares delivered to the corporation for the Croff Oil Company common shares.

Exchange of Preferred "B" Assets for Cash.

The Company's exchange of its final 32.8% of the stock of the new Croff Oil Company for $600,000 is expected to be a taxable event. The Company has been advised that this would be a sale of common stock with a carry over cost basis. It would be subject to federal and state corporate taxes for the amount of the gain. The gain is the value received over and above the book value basis of the Company in those assets. Consequently, the Company expects to pay corporate income tax on the sale of these long term assets. The gain is anticipated to be the difference between its carry over basis in the 32.8% of the Croff Oil Company oil and gas assets and the $600,000 received. This tax liability will be a remaining tax liability to the Company due for the year of closing.

The tax discussion set forth above is a greatly abbreviated, generalized discussion of the anticipated applicable federal and state income tax consequences, and may not apply to common or Preferred B shares acquired under different circumstances or under different facts. No information is provided herein as to the contemplated state, local, or foreign tax consequences for individual shareholders in the transactions contemplated in this Proxy. Shareholders are urged to consult their own tax advisers to determine the particular federal, state, local, and foreign tax consequences to them if the proposed transaction is approved.

Auditors

The independent outside accountant conducting the current audit for Croff Enterprises, Inc. is Ronald Chadwick, of 2851 South Parker Road, Ste 720, Aurora, Colorado 80014, (303)306-1967. Ronald Chadwick was appointed the independent outside auditor for the Company for the calendar year 2006 by the Board of Directors on recommendation by the audit committee, and ratified at the December 2006 shareholders' meeting. Mr. Chadwick has reviewed each of the quarterly filings of Croff Enterprises, Inc. in 2006 and will conduct the audit for the 10-K to be filed on or before March 31, 2007, for the calendar year 2006.

Prior to 2006, the independent outside accountants conducting the audits for Croff Enterprises, Inc, for a period in excess of ten years, was the firm of Causey, Demgen & Moore, of 1801 California Street, Suite 4650, Denver, CO 80202, (303) 296-2229. There were no disputes between the Company and Causey, Demgen & Moore, during their engagement. Causey, Demgen & Moore, declined to stand for reappointment due to restrictions imposed by section 208(a) of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the Securities and Exchange Commission that prohibit partners on the audit engagement team from providing audit services to the issuer for more than five (5) consecutive years and from returning to audit services with the same issuer within five years.

TRBT has engaged Kabani & Company, Inc. CPA's of 6033 W. Century Blvd., Suite 810, Los Angeles, California 90045, (310) 694-3590, to conduct audits for the predecessor of TRBT for the year 2004, to conduct an audit of TRBT for the year 2005 and to review the interim financial statements of TRBT through September 30, 2006. Kabani & Company, Inc. has completed this work which is filed in Schedule F-1 attached to this proxy.

It is not known if the Audit Committee of the new Board of Directors will recommend to the newly elected Board of Directors of Croff that Kabani & Company, Inc., be retained as auditor for the Company during 2007. Current management has no assurance as to the make up of the new audit committee or what their recommendation to the new Board of Directors will be.

Risk Factors

1. New Management to be Appointed and Control Position.

Any shareholder investing in or remaining as a shareholder in the Company as reorganized will be acquiring an interest in a Company with a new management team with which they have not had any prior relationship and which are not being elected by the public shareholders. It must be understood that the new management for the Company, including directors and principal officers, are essentially being appointed from the TRBT management as a result of the Share Exchange transaction. Moreover, the principal shareholders of the prior TRBT will become the principal shareholders in the reorganized Company and will be in a position to control management of Croff for the foreseeable future. As a result, one should not invest in this Company with an anticipation that public shareholders will be in a position to control or even direct management through normal shareholder voting procedures.

2. Business Conducted in Peoples Republic of China.

Each Shareholder, or prospective shareholder in Croff, should consider the risk factor that the entire future business interest and properties of Croff will be conducted in the Peoples Republic of China (PRC) and almost all of the material assets will be located in that foreign country. Each shareholder should understand, as specific risk factors, that the PRC has for most of the past 60 years been a communist country in which there was not allowed any substantial private ownership of property or private enterprise. At least nominally, China continues as a communist regime, while currently allowing certain forms of private ownership and enterprise. There is, however, a substantial potential risk factor that at any time the Chinese government could elect to eliminate or control private property ownership or private enterprise and appropriate all private properties and enterprises, with or without compensation. While management does not anticipate any of these actions, or it would not engage in this business transaction, state control or appropriation must be considered as potential risk factors by anybody electing to participate as a shareholder in Croff. Moreover, even under the present governmental policies in China, there is still not private ownership of real property and the malls which are being acquired operate under a long term license to use the real property upon which the shopping malls are located from the local and central government. Croff will not have independent ownership of the real property, nor can it claim the real property as an asset.

3. Real Property License and Absence of Real Property Title.

As generally described above, Croff will have no direct ownership in the underlying real property upon which the malls are constructed other than the licenses or granted by the PRC to operate the malls on the applicable parcels of real property. These licenses are indefinite in duration, are not insurable, and are accepted upon the good faith of the PRC. There is no assurance of license renewal or that such license could not be modified or cancelled at any time. Further, the physical mall structures would most likely be deemed to remain appurtenant to the land and treated as part of the license. The mall structures while evidenced by a certificate of ownership from the regional government are not readily transferable and there exists no property □recording system.□

4. Foreign Accounting Practices.

While all of the accounting materials to be presented to shareholders or prospective shareholders as part of the share exchange and acquisition are stated in accordance with Generally Accepted Accounting Principals (GAAP) and filed in accordance with regulations promulgated by the Securities and Exchange Commission (SEC); each prospective investor should, nonetheless, realize, that for the Chinese based enterprises, the basic accounting, from which these figures were derived, were first compiled and reviewed in accordance with Chinese accounting principles and practices and then subsequently adapted to GAAP, and then audited by a U.S. based accounting firm. While the Company believes that such numbers are generally reliable and are stated in accordance with U.S. accounting practices, there can be no absolute assurance that there may not be some issues in translation of foreign accounting practices or terms which create some risk factors of inaccuracy in translated or converted financial statements.

5. Nature of Business Entity.

Each prospective or present shareholder in Croff should understand that the nature of the equity interest being acquired in TRBT is simply an equity interest. The nature of the form of business under which the shopping malls are conducted and held in China is not exactly parallel to any known U.S. business entity. As a result, Croff will be acquiring as a subsidiary the equity interest in TRBT. rather than actual certificates evidencing a sharehold interest for the operating subsidiary, TRBT. While Croff believes this should pose no operational problems or concern as to the ownership of the subsidiary, it does make description and presentation of the nature of the ownership and accounting more difficult than the acquisition of a known U.S. based business entity, such as a corporation or limited liability company. The form of business ownership in China, under which TRBT conducts its business, is more akin to a limited partnership form of business known in the U.S. with Mr. An as a sole general partner. In all events, Mr. Aizhong An, acts both as a sole manager and a director of the acquired business entity as well as its principal equity owner.

6. Start-up Enterprises.

While the existing six malls, which are substantially owned by TRBT in the PRC, have operated for a period ranging from 14 years to 6 months, the nature of the business will be ongoing. Because it is anticipated that new malls may be added, the nature of the enterprise must be considered as a relatively new start-up business with all of the risk inherent in a company without substantial historical revenue history or operations.

7. Foreign Laws and Courts.

In the future should a dispute arise between either the principal subsidiary, TRBT, and/or its management (currently controlled by Mr. Aizhong An) or with any third party, each Croff shareholder should realize that jurisdiction over some or potentially all of these disputes, ultimately, may have to be resolved in the foreign courts operated by the PRC and that any dispute may be subject to the application of foreign law. While Croff does not feel it has the expertise to opine upon or assert an opinion as to the equity or justice of such potential foreign courts or jurisdictions, it is fair to state as a risk factor that the operation of those courts and the development of law in the PRC is substantially more limited in commercial settings and substantially different in both procedure and substantive law than the law which would ordinarily govern commercial disputes before courts located in the United States of America.

8. Exchange Rates and Foreign Licenses and Taxes.

A collateral risk of remaining as a shareholder in Croff may arise from the fact that revenues generated in the PRC will be earned in the local Chinese currency and that there may exist in the future various risks of the valuation of revenues or income translated into U.S. Dollars based upon fluctuating and changing exchange rates between the United States Dollar and the Chinese Yuan, (RMB). For example, should the dollar increase in value against the Yuan such exchange rate may negatively impact profitability of the Company and stock values. While the general application of taxes and license fees within the United States are generally predictable, if not the rates, it is possible in dealing with a foreign jurisdiction, such as the PRC, that additional but as yet unforeseen taxes, licensing fees or other costs of doing business, may be imposed in that foreign jurisdiction, particularly as it relates to foreign enterprises conducting business in the PRC through a Chinese subsidiary. Such changes in taxes or license fees could have a substantial negative impact upon anticipated profits.

9. Possibility of International Hostilities.

While the United States and the PRC maintain a somewhat adversarial position within the international political and strategic environment, the business and economic relationships between the two nations are relatively stable at the present time. However, no assurance or warranty can be given to any investor or prospective investor in Croff that the viability of their investment in Chinese shopping malls may not be subject to future deteriorating economic, diplomatic or military relations between the United States and the PRC. In particular, the treatment of the nation of Taiwan as an independent trading partner and autonomous political entity by the United States is a source of continuing friction between the United States and the PRC. Deteriorating political or foreign relations may result in imposition of business restrictions, taxes, fees or outright appropriation of properties of U.S. Corporations, such as Croff, having ownership interest in the PRC.

10. Lack of Management Experience in U.S. Public Companies.

While the new management group to be appointed for Croff as part of the share exchange and acquisition is believe to have substantial competency and expertise in the management of the shopping malls within the PRC, the individual managers have very little historical experience or exposure to operating and maintaining a small public company in the United States under U.S. laws and regulations. Particularly this inexperience relates to securities regulations imposed by the Securities and Exchange Commissions, various state securities regulatory agencies and by the National Association of Securities Dealers (NASD). While it is anticipated that the new Croff management group will attempt to retain various experts to assist the Company in compliance with United States laws and regulations, it must be anticipated that there will be a learning curve, and this lack of experience compared to the present management could result in a loss of the value in the stock. A further related risk factor exists to the extent Mr. An and some other members of anticipated management are not literate in the English language.

11. Lack of Future Capital Commitments.

While it is believed that the TRBT subsidiary can continue to operate profitably with the designated malls within the PRC, growth and expansion of the Company will necessarily be dependent upon the availability of future capital sources either within or without the PRC. No assurance or warranty can or should be implied that Croff will be able to raise sufficient future capital to expand or grow its present business activities.

12. There will be no Independent Fairness Opinion or Review of the Share Exchange.

Croff has determined, for economic reasons and costs associated with obtaining an independent fairness opinion and review, not to incur those costs and expenses. As a result there remains a certain risk factor in this share exchange that the fairness and equity of the proposed exchange has not been independently reviewed or opined upon. Each investor in considering this Proxy will have to make his, her or its own determination of whether the relative values of the shares exchanged and assets sold or acquired are fair and equitable under the circumstances from the information supplied and public filings of Croff.

13. No Assurance of Public Market for Croff Stock.

For various of the reasons previously set-out in these Risk Factors, there can be no absolute assurance or warranty that a future market will exist for the new Croff shares as an ongoing public company.

14. Absence of Dividends.

Each prospective investor should understand that there is no commitment or assurance that the Company will pay any dividends. At present it is anticipated that any net profits would be retained for business development. In the absence of dividends, shareholders must look exclusively to potential capital appreciation for a return on investment, which appreciation cannot be warranted.

15. Depreciating Assets.

The nature of the Croff business going forward will be the acquisition or construction, operation and potential sale of commercial shopping malls. Each shareholder or prospective shareholder should understand that the malls are depreciating assets. That is to say each mall has a finite commercial life and decreases in value over time. As a consequence, the capital or net worth of the Company will decline over time absent replacement. Each investor should understand this risk factor as applicable to all asset based businesses. Going forward, this process may be accelerated to the extent the Company does not hold any residual value in the real property upon which the malls are built. Further, there can be no assurance Croff will be able to replace the malls as they become obsolete or at what price. A related consent and risk factor is that as each mall ages the cost of operation usually increases to reflect such costs, such as updating and repairing systems and structure.

16. Rule 144 Sales and Restricted Securities.

As otherwise explained in this Proxy Statement, most of the securities being issued pursuant to the share exchange are restricted securities; that is to say, they have not been subject to any registration process before the Securities and Exchange Commission (SEC) or any state securities regulatory agency. The shares are

primarily issued upon claimed exemptions from registration. As a result, most of the shares have significant limitations and holding periods before they can be actively traded in any public market. While the primary rule governing resales of restricted securities is SEC Rule 144, it is not claimed to be an exclusive means of compliance for resales of restricted securities. However, it is noted that most restricted stock sellers currently rely upon Rule 144 as a Safe Harbor in the resales of restricted securities. In essential terms, Rule 144 requires a holding period of at least one year before restricted securities can be sold. After that one year period, sales can only occur if there is an active public trading market for the shares and the shares must be sold in unsolicited brokerage transactions where current public information is available. There is also a volume limitation imposed typically on the amount of sales which can occur in any three month period. Each investor should consider the nature of restricted securities and whatever risk factor this may impose upon their holding of such securities for future sale.

17. Bad Debt Reserve.

In the past TRBT has made and received numerous affiliate, third party and employee loans. These loans are unsecured and payable upon demand with various interest rates ranging up to 7.98 percent. As of September 30, 2006, net loans to others totaled approximately $6.2 million and net loans to employees totaled approximately $156,000. It is customary in China that businesses typically seek financing from various sources other than traditionally banking institutions. However, loans from TRBT to officers, directors, or affiliates will be prohibited after closing. TRBT maintains reserves for any potential losses that might result from the default of the loans issued. TRBT□s management periodically analyzes the composition of these loans, any changes in the borrowers pattern of repayment, and past due loans to calculate the necessary reserves. As of September 30, 2006, TRBT□s allowance for uncollectible loans amounted to approximately $5.1 million dollars of which approximately $3.1 million was written off as a bad debt expense. This loss is a risk factor, considering the lack of liquidity in the Company. The ending of this practice of both borrowing and lending, from officers and affiliates may create a lack of liquidity or a risk to continuing business.

DISSENTING SHAREHOLDER RIGHTS

Croff has determined that the foregoing Share Exchange requires the offering of dissenting shareholder rights under Utah Law. Essentially any shareholder who does not believe that the Share Exchange is fair and equitable to the shareholders may elect, under Utah law, to become a dissenting shareholder. It should be noted by each prospective dissenting shareholder that the election to be a dissenting shareholder will not constitute a vote against or in any way invalidate the completion of the Share Exchange, but will provide such dissenting shareholder with a potential alternative valuation option for their shares.

In essential terms, any dissenting shareholder under the Utah Statutory Provisions will have the right within a prescribed time limit set-out in the enclosed packet to accept the Company□s determination of the fair value of their Common and Preferred □B□ shares and exchange such shares for a cash payment; or to propose to the Company what they deem to be a fair and adequate consideration for their shares, along with the methodology at which they arrive at their alternative valuation. The Company would then attempt to negotiate a resolution or may simply refuse to recognize the alternative valuation. It should be noted to each prospective dissenting shareholder that the Company believes the present proposal is fair and reasonable based upon current market conditions and valuation of the Company; and, as a result, is not likely the Company would be willing to voluntarily alter or amend its proposed redemption payments for the shares.

If the Company and the shareholder are not able to agree upon a stipulated valuation, then the Company will have the obligation to proceed with a court proceeding to attempt to force an alternative valuation for the shares through a judicial process.

THE FOREGOING CONSTITUTES ONLY A GENERAL DESCRIPTION OF DISSENTING SHAREHOLDER RIGHTS. EACH PROSPECTIVE DISSENTING SHAREHOLDER IS ENCOURAGED TO REVIEW, WITH LEGAL COUNSEL OF THEIR OWN CHOICE, THE ATTACHED AND ENCLOSED DISSENTING SHAREHOLDER RIGHTS PACKAGE AND BALLOT, SEE SCHEDULE A, WHICH CONTAINS THE UTAH STATUTORY MATERIAL ON DISSENTING SHAREHOLDER RIGHTS AS EXTRACTED FROM THE UTAH CODE.

Any shareholder wishing to exercise dissenting shareholder rights should fill out and complete the dissenting shareholder rights ballot and return it promptly to the Company in the enclosed envelope so that they may be listed as dissenting shareholder and the Company will then proceed in accordance with applicable law to treat such claim in accordance with the statutory provisions. **Please note that if you vote in favor of the Share Exchange you are not entitled to be a dissenting shareholder. If you elect to be a dissenting shareholder you must not execute the standard proxy ballot (white cards), but you must execute and return the dissenting shareholder election form (blue card).**

OTHER MATTERS

The Special meeting is called for the purposes set forth in the notice thereof. The Board of Directors does not intend to present, and has not been informed that any other person intends to present, any matters for action at the Special meeting other than those specifically referred to in the Notice of Meeting and this Proxy Statement. If any other matters are properly brought before the Special meeting, it is the intention of the proxy holders to vote on such matters in accordance with their judgment.

STOCKHOLDER PROPOSALS

There were no stockholders proposals submitted for consideration at this Special meeting. Stockholder proposals intended to be considered at the next meeting of Stockholders must be received by the Company no later than March 31, 2007. Such proposals may be included in the next proxy statement if they comply with certain rules and regulations promulgated by the Securities and Exchange Commission.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under Section 16(a) of the Securities Exchange Act of 1934, as amended, Croff□s directors, its executive officers, and any persons holding more than 10% of the common stock are required to report their ownership of the common stock and any changes in that ownership to the Securities and Exchange Commission. Specific due dates for these reports have been established, and we are required to report in this proxy statement any failure to file by such dates during 2006. To our knowledge, all of these filing requirements were satisfied by our directors, officers and 10% percent holders. In making these statements, Croff has relied upon the written representations of its directors, officers and its 10% percent holders and copies of the reports that they have filed with the Commission.

OTHER INFORMATION

FINANCIAL REPORTS & OTHER IMPORTANT DOCUMENTS

The financial reports for Croff's operations ended December 31, 2005 filed as Form 10-K and the unaudited financial reports for the period ended September 30, 2006 filed on Form 10-Q, are considered an integral part of this Proxy Statement and are incorporated by this reference. See also, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Form 10-K and Form 10-Q Reports which are available at Croff's website at www.croff.com, or from the Securities and Exchange Commission at www.sec.gov/edgar . A hardcopy of the Form 10-K and the Form 10-Q report may also be obtained by calling the Company's offices at 303-383-1555.

Attached and incorporated is Schedule F-1. F-1 includes the Croff audited financial statement for 2005 and 2004, and the interim nine months unaudited financials statements ending September 30, 2006. It also contains the December 31, 2004 & 2005 audited year end Financials for TRBT and the nine months interim unaudited Financials ending on September 30, 2006. Also enclosed are pro forma unaudited consolidated Financials for the combined entities for the years ending December 31, 2004 and 2005, and the nine month interim period ending on September 30, 2006.

Dated: February _____ , 2007.

BY ORDER OF THE BOARD OF DIRECTORS:

_____

Gerald L. Jensen, Chairman of the Board

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Schedule A

A). Dissenting Shareholder Rights Information Statement

B). Utah Statues

C). Dissenting Shareholder Notice & Election Form

D). Ballots

DISSENTING SHAREHOLDER RIGHTS INFORMATION STATEMENT & ELECTION FORM

Appraisal Rights

The Board of Directors of Croff, in accordance with Utah law, by resolution of the Board, determined that shareholders of Croff, who object to the Share Exchange may dissent from participating in the Share Exchange and may obtain fair value (as defined below) for their Croff common shares and preferred "B" shares. The preferred "B" shares are to be cancelled, so shareholders can only receive two shares of common stock or cash. Fair value for shareholders asserting their dissenters' right is determined in accordance with Utah law and not necessarily with reference to the amount offered by Croff. This section summarizes the terms of the relevant provisions of Utah law regarding dissenters' rights. Because this summary does not address all of the details a shareholder may be interested in knowing, all shareholders are encouraged to consult the enclosed code sections in their entirety. As required by the Utah Revised Business Corporation Act Section 1320, a copy of the dissenters' rights statute, Utah Revised Business Corporation Act Sections 1301-1331 is included as Annex "A" to this Information Statement.

Shareholders who wish to exercise dissenters' rights must deliver to Croff the enclosed written notice and demand of their intent to receive a cash payment for their shares. This notice must be delivered with thirty five (35) days after the date of the enclosed Proxy Statement. **Shareholders who wish to exercise dissenters' rights must not vote their shares in favor of approving the Share Exchange.**

As the Share Exchange has been agreed to be approved by the majority shareholders, except for the election of new directors, you will not be receiving any further notice of dissenter"s rights under Utah law and must exercise such rights, if at all, by completing and returning the enclosed Dissenting Shareholder Election Form and your certificate within 35 days of the date shown on the Proxy.

A shareholder receiving a dissenters' notice must certify whether the shareholder acquired ownership of the shares prior to the specified date, and deposit his or her share endorsed and negotiable certificates in accordance with the dissenters' notice. The shareholder otherwise retains all other rights of a shareholder except the right to transfer the shares until the time these rights are canceled when the Share Exchange is consummated. A shareholder who fails to demand payment or deposit his or her shares in accordance with the enclosed dissenters' notice will lose his, her, or its rights to payment for his or her shares pursuant to the Utah dissenters' rights statute.

Except as described below, the notice of intent to demand payment and the written demand for payment must be made by or for the shareholder of record of the shares for which dissenters' rights are being asserted. Accordingly, the enclosed notice and demand should be executed by or for each shareholder of record, fully and

correctly as such stockholder's name appears on the certificate(s) formally representing the shares.

A beneficial shareholder may assert dissenters' rights as to shares held on his or her behalf only if:

- he or she submits to Croff the record owner's written consent to the dissent not later than the time the beneficial shareholder asserts dissenters' rights, and
- he or she does so with respect to all shares of which he or she is the beneficial stockholder.

Upon receipt of the enclosed demand for payment, Croff has determined to pay each dissenting shareholder who has complied with the statutory notice provisions, the fair value of the stockholder's common shares, plus interest as provided in the Utah statute. "*Fair value*" means the value of the shares immediately before the consummation of the Share Exchange, excluding any appreciation or depreciation in anticipation of the Share Exchange. Croff has determined the fair value to be $1.25 per share for its common stock and $4.00 per share for the Preferred □B□ shares. Croff arrived at this valuation based upon its knowledge of the Company, its financial statements, and the price per common share prior to the announcement of the share exchange agreement. These prices are based on assuming the closing of the share exchange agreement does not take place, as provided by the definition of □Fair Value□ in the Utah statutes. Each reviewing shareholder should be advised the valuation for common shares essentially reflects a shell corporation prior to the Share Exchange and the preferred □B□ share valuation is based upon the value of the oil and gas assets of the Company.

Under Utah Revised Business Corporation Act Section 1328, a dissenting shareholder may notify Croff in the enclosed form in writing of his, her or its own estimate of the fair value of his, her or its shares and amount of interest due, and demand payment in the amount of such estimate, less any payment already received from Croff, or reject Croff's offer and demand payment of the fair value of his or her shares and interest due, if:

- The dissenting shareholder believes that the amount paid or offered is less than the fair value of his or her shares or that the interest due was incorrectly calculated;
- Croff fails to make payment for the shares within 60 days after the date set for demanding payment; or
- Croff, having failed to consummate the Share Exchange, does not return the deposited certificates.

A dissenting shareholder waives the right to demand payment under Utah law unless the shareholder notifies Croff in the enclosed writing of his or her demand within 35 days of the incorporated Proxy Statement date.

Based upon the detailed analysis of the Share Exchange contained in the enclosed Proxy Statement, Croff is not inclined to accept any alternative valuation for the shares. Each shareholder should access the public trading price of the common shares before making a decision. Any shareholder not satisfied may be required to seek a judicial remedy and determination of value as outlined in the enclosed statutory materials.

If a demand for payment under Utah Revised Business Corporation Act Section 1328 remains unsettled, Croff will commence a court proceeding within 60 days after receiving payment demand and petition the Utah Third District Court for Salt Lake County to determine the fair value of the shares and accrued interest. If Croff does not commence such a proceeding within 60 days, it will pay each dissenter whose demand remains unsettled the amount demanded. The court will determine all costs of the proceeding, including the reasonable compensation and expenses of appraisers appointed by the court. The court will assess the costs against Croff, except that the court may assess costs against all or some of the dissenters who are parties, in amounts the court finds equitable, to the extent the court finds the dissenters acted arbitrarily, vexatiously, or not in good faith in demanding payment. If the court finds that the services of counsel for any dissenter were of substantial benefit to other dissenters similarly situated, and that the fees for the services should not be assessed against Croff, the court may award to these counsel reasonable fees, to be paid out of the amounts awarded to dissenters who were benefited.

SHOULD THERE EXIST ANY CONFLICT BETWEEN THIS SUMMARY STATEMENT AND THE ATTACHED CODE SECTIONS, THE CODE SECTIONS WILL CONTROL AND BE GIVEN PRIMARY APPLICATION.

Please remember to return your certificate with the enclosed Election Form in endorsed and negotiable form, if you are exercising Dissenting Shareholder Rights and wish to accept the Company□s offer.

UTAH DISSENTER□S RIGHTS STATUTE

UT ST ss. 16-10a-1302

ss. 16-10a-1302. Right to dissent

(1) A shareholder, whether or not entitled to vote, is entitled to dissent from, and obtain payment of the fair value of shares held by him in the event of, any of the following corporate actions:

(a) consummation of a plan of merger to which the corporation is a party if:

(i) shareholder approval is required for the merger by Section 16-10a1103 or the articles of incorporation; or

(ii) the corporation is a subsidiary that is merged with its parent under Section 16-l0a-1104;

(b) consummation of a plan of share exchange to which the corporation is a party as the corporation whose shares will be acquired;

(c) consummation of a sale, lease, exchange, or other disposition of all, or substantially all, of the property of the corporation for which a shareholder vote is required under Subsection 16-10a-1202(1), but not including a sale for cash pursuant to a plan by which all or substantially all of the net proceeds of the sale will be distributed to the shareholders within one year after the date of sale; and

(d) consummation of a sale, lease, exchange, or other disposition of all, or substantially all, of the property of an entity controlled by the corporation if the shareholders of the corporation were entitled to vote upon the consent of the corporation to the disposition pursuant to Subsection 16-10a-1202(2).

(2) A shareholder is entitled to dissent and obtain payment of the fair value of his shares in the event of any other corporate action to the extent the articles of incorporation, bylaws, or a resolution of the board of directors so provides.

(3) Notwithstanding the other provisions of this part, except to the extent otherwise provided in the articles of incorporation, bylaws, or a resolution of the board of directors, and subject to the limitations set forth in Subsection (4) , a shareholder is not entitled to dissent and obtain payment under Subsection (1) of the fair value of the shares of any class or series of shares which either were listed on a national securities exchange registered under the federal Securities Exchange Act of 1934, as amended, [FN1] or on the National Market System of the National Association of Securities Dealers Automated Quotation System, or were held of record by more than 2,000 shareholders, at the time of:

(a) the record date fixed under Section 16-10a-707 to determine the shareholders entitled to receive notice of the shareholders meeting at which the corporate action is submitted to a vote;

(b) the record date fixed under Section 1G-10a-704 to determine shareholders entitled to sign writings consenting to the proposed corporate action; or

(c) the effective date of the corporate action if the corporate action is authorized other than by a vote of shareholders.

(4) The limitation set forth in Subsection (3) does not apply if the shareholder will receive for his shares, pursuant to the corporate action, anything except:.

(a) shares of the corporation surviving the consummation of the plan of merger or share exchange;

(b) shares of a corporation which at the effective date of the plan of merger or share exchange either will be listed on a national securities exchange registered under the federal Securities Exchange Act of 1934, as amended, or on the National Market System of the National Association of Securities Dealers Automated Quotation System, or will be held of record by more than 2,000 shareholders;

(c) cash in lieu of fractional shares; or

(d) any combination of the shares described in Subsection (4), or cash in lieu of fractional shares.

(5) A shareholder entitled to dissent and obtain payment for his shares under this part may not challenge the corporate action creating the entitlement unless the action is unlawful or fraudulent with respect to him or to the corporation.

ss. 16-10a-1303. Dissent by nominees and beneficial owners

(1) A record shareholder may assert dissenters rights as to fewer than all the shares registered in his name only if the shareholder dissents with respect to all shares beneficially owned by any one person and causes the corporation to receive written notice which states the dissent and the name and address of each person on whose behalf dissenters rights are being asserted. The rights of a partial dissenter under this subsection are determined as if the shares as to which the shareholder dissents and the other shares held of record by him were registered in the names of different shareholders.

(2) A beneficial shareholder may assert dissenters rights as to shares held on his behalf only if:

(a) the beneficial shareholder causes the corporation to receive the record shareholder s written consent to the dissent not later than the time the beneficial shareholder asserts dissenters rights; and

(b) the beneficial shareholder dissents with respect to all shares of which he is the beneficial shareholder.

(3) The corporation may require that, when a record shareholder dissents with respect to the shares held by any one or more beneficial shareholders, each beneficial shareholder must certify to the corporation that both he and the record shareholders of all shares owned beneficially by him have asserted, or will timely assert, dissenters rights as to all the shares unlimited on the ability to exercise dissenters rights. The certification requirement must be stated in the dissenters notice given pursuant to Section 16-10-1322.

ss. 16-10a-1320. Notice of dissenters rights

(1) If a proposed corporate action creating dissenters rights under Section 16-10a-1302 is submitted to a vote at a shareholders meeting, the meeting notice must be sent to all shareholders of the corporation as of the applicable record date, whether or not they are entitled to vote at the meeting. The notice shall state that shareholders are or may be entitled to assert dissenters rights under this part. The notice must be accompanied by a copy of this part and the materials, if any, that under this chapter are required to be given the shareholders entitled to vote on the proposed action at the meeting. Failure to give notice as required by this subsection does not affect any action taken at the shareholders meeting for which the notice was to have been given.

(2) If a proposed corporate action creating dissenters rights under Section 16-10a-1302 is authorized without a meeting of shareholders pursuant to Section 16-10a-704, any written or oral solicitation of a shareholder to execute a written consent to the action contemplated by Section 16-10a-704 must be accompanied or preceded by a written notice stating that shareholders are or may be entitled to assert dissenters rights under this part, by a copy of this part, and by the materials, if any, that under this chapter would have been required to be given to shareholders entitled to vote on the proposed action if the proposed action were submitted to a vote at a shareholders meeting. Failure to give written notice as provided by this subsection does not affect any action taken pursuant to Section 16-10a-704 for which the notice was to have been given.

ss. 16-10a-1321. Demand for payment Eligibility and notice of intent

(1) If a proposed corporate action creating dissenters rights under Section 16-lOa-1302 is submitted to a vote at a shareholders meeting, a shareholder who wishes to assert dissenters rights:

(a) must cause the corporation to receive, before the vote is taken, written notice of his intent to demand payment for shares if the proposed action is effectuated; and

(b) may not vote any of his shares in favor of the proposed action.

(2) If a proposed corporate action creating dissenters rights under Section 16-10a-1302 is authorized without a meeting of shareholders pursuant to Section 16-10a-704, a shareholder who wishes to assert dissenters rights may not execute a writing consenting to the proposed corporate action.

(3) In order to be entitled to payment for shares under this part, unless otherwise provided in the articles of incorporation, bylaws, or a resolution adopted by the board of directors, a shareholder must have been a shareholder with respect to the shares for which payment is demanded as of the date the proposed corporate action creating dissenters rights under Section 16-10a-1302 is approved by the shareholders, if shareholder approval is required, or as of the effective date of the corporate action if the corporate action is authorized other than by a vote of shareholders.

(4) A shareholder who does not satisfy the requirements of Subsections (1) through (3) is not entitled to payment for shares under this part.

ss. 16-10a-1322. Dissenters notice

(1) If proposed corporate action creating dissenters rights under Section 16-10a-1302 is authorized, the corporation shall give a written dissenters notice to all shareholders who are entitled to demand payment for their shares under this part.

(2) The dissenters notice required by Subsection (1) must be sent no .later than ten days after the effective date of the corporate action creating dissenters rights under Section 16-10a-1302,. and shall:

(a) state that the corporate action was authorized and the effective date or proposed effective date of the corporate action;

(b) state an address at which the corporation will receive payment demands and an address at which certificates for certificated shares must be deposited;

(c) inform holders of uncertificated shares to what extent transfer of the shares will be restricted after the payment demand is received;

(d) supply a form for demanding payment, which form requests a dissenter to state an address to which payment is to be made;

(e) set a date by which the corporation must receive the payment demand and by which certificates for certificated shares must be deposited at the address indicated in the dissenters notice, which dates may not be fewer than 30 nor more than 70 days after the date the dissenters notice required by Subsection (1) is given;

(f) state the requirement contemplated by Subsection 16-10a-1303(3), if the requirement is imposed; and

(g) be accompanied by a copy of this part.

ss. 16-10a-1323. Procedure to demand payment

(1) A shareholder who is given a dissenters notice described in Section 16-10a-1322, who meets the requirements of Section 16-10a-1321, and wishes to assert dissenters rights must, in accordance with the terms of the dissenters notice:

(a) cause the corporation to receive a payment demand, which may be the payment demand form contemplated in Subsection 16-10a-1322(2)(d), duly completed, or may be stated in another writing;

(b) deposit certificates for his certificated shares in accordance with the terms of the dissenters notice; and

(c) if required by the corporation in the dissenters notice described in Section 16-10a-1322, as contemplated by Section 16-10a-1327, certify in writing, in or with the payment demand, whether or not he or the person on whose behalf he asserts dissenters rights acquired beneficial ownership of the shares before the date of the first announcement to news media or to shareholders of the terms of the proposed corporate action creating dissenters rights under Section 16 10a-1302.

(2) A shareholder who demands payment in accordance with Subsection (1) retains all rights of a shareholder except the right to transfer the shares until the effective date of the proposed corporate action giving rise to the exercise of dissenters rights and has only the right to receive payment for the shares after the effective date of the corporate action.

(3) A shareholder who does not demand payment and deposit share certificates as required, by the date or dates set in the dissenters notice, is not entitled to payment for shares under this part.

ss. 16-10a-1324. Uncertificated shares

(1) Upon receipt of a demand for payment under Section 16-10a-1323 from a shareholder holding uncertificated shares, and in lieu of the deposit of certificates representing the shares, the corporation may restrict the transfer of the shares until the proposed corporate action is taken or the restrictions are released under Section 16-10a-1326.

(2) In all other respects, the provisions of Section 16-10a-1323 apply to shareholders who own uncertificated shares.

ss. 9 16-10a-1325. Payment

(1) Except as provided in Section 16-10a-1327, upon the later of the effective date of the corporate action creating dissenters rights under Section 16-10a-1302, and receipt by the corporation of each payment demand pursuant to Section 16-10a-1323, the corporation shall pay the amount the corporation estimates to be the fair value of the dissenter s shares, plus interest to each dissenter who has complied with Section 16-10a-1323, and who meets the requirements of Section 16-10a-1321, and who has not yet received payment.

(2) Each payment made pursuant to Subsection (1) must be accompanied by:

(a) (i) (A) the corporation s balance sheet as of the end of its most recent fiscal year, or if not available, a fiscal year ending not more than 16 months before the date of payment;

(B) an income statement for that year;

(C) a statement of changes in shareholders equity for that year and a statement of cash flow for that year, if the corporation customarily provides such statements to shareholders; and

(D) the latest available interim financial statements, if any;

(ii) the balance sheet and statements referred to in Subsection (i) must be audited if the corporation customarily provides audited financial statements to shareholders;

(b) a statement of the corporation s estimate of the fair value of the shares and the amount of interest payable with respect to the shares;

(c) a statement of the dissenter s right to demand payment under Section 16- 10a-1328; and

(d) a copy of this part

ss. 16-10a-1326. Failure to take action

(1) If the effective date of the corporate action creating dissenters rights under Section 16-10a-1302 does not occur within 60 days after the date set by the corporation as the date by which the corporation must receive payment demands as provided in Section 16-lOa-1322, the corporation shall return all deposited certificates and release the transfer restrictions imposed on uncertificated shares, and all shareholders who submitted a demand for payment pursuant to Section 16 10a-1323 shall thereafter have all rights of a shareholder as if no demand for payment had been made. (2) If the effective date of the corporate action creating dissenters rights under Section 16-10a-1302 occurs more than 60 days after the date set by the corporation as the date by which the corporation

must receive payment demands as provided in Section 16-10a-1322, then the corporation shall send a new dissenters notice, as provided in Section 16-10a-1322, and the provisions of Sections 16-10a-1323 through 16-10a 1328 shall again be applicable.

ss. 16-10a-1327. Special provisions relating to shares acquired after announcement of proposed corporate action

(1) A corporation may, with the dissenters notice given pursuant to Section 16-10a-1322, state the date of the first announcement to news media or to shareholders of the terms of the proposed corporate action creating dissenters rights under Section 16-10a-1302 and state that a shareholder who asserts dissenters rights must certify in writing, in or with the payment demand, whether or not he or the person on whose behalf he asserts dissenters rights acquired beneficial ownership of the shares before that date. With respect to any dissenter who does not certify in writing, in or with the payment demand that he or the person on whose behalf the dissenters rights are being asserted, acquired beneficial ownership of the shares before that date, the corporation may, in lieu of making the payment provided in Section 16- lOa-1325, offer to make payment if the dissenter agrees to accept it in full satisfaction of his demand.

(2) An offer to make payment under Subsection (1) shall include or be accompanied by the information required by Subsection 16-10a-1325(2).

ss. 16-10a-1328. Procedure for shareholder dissatisfied with payment or offer

(1) A dissenter who has not accepted an offer made by a corporation under Section 16-10a-1327 may notify the corporation in writing of his own estimate of the fair value of his shares and demand payment of the estimated amount, plus interest, less any payment made under Section 16-lOa-1325, if:

(a) the dissenter believes that the amount paid under Section 16-10a 1325 or offered under Section 16-10a-1327 is less than the fair value of the shares;

(b) the corporation fails to make payment under Section 16-10a-1325 within 60 days after the date set by the corporation as the date by which it must receive the payment demand; or

(c) the corporation, having failed to take the proposed corporate action creating dissenters rights, does not return the deposited certificates or release the transfer restrictions imposed on uncertificated shares as required by Section 16-10a-1326.

(2) A dissenter waives the right to demand payment under this section unless he causes the corporation to receive the notice required by Subsection (1) within 30 days after the corporation made or offered payment for his shares.

ss. 16-10a-1330. Judicial appraisal of shares Court action

(1) If a demand for payment under Section 16-10a-1328 remains unresolved, the corporation shall commence a proceeding within 60 days after receiving the payment demand contemplated by Section 16-10a-1328, and petition the court to determine the fair value of the shares and the amount of interest. If the corporation does not commence the proceeding within the 60-day period, it shall pay each dissenter whose demand remains unresoman" style="font-size:10.0pt;">

Sale through underwriters or dealers

If underwriters are used in the sale, the underwriters will acquire the securities for their own account, including through underwriting, purchase, security lending or repurchase agreements with us. The underwriters may resell the securities from time to time in one or more transactions, including negotiated transactions. Underwriters may sell the securities in order to facilitate transactions in any of our other securities (described in this prospectus or otherwise), including other public or private transactions and short sales. Underwriters may offer securities to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. Unless otherwise indicated in the prospectus supplement, the obligations of the underwriters to purchase the securities will be subject to certain conditions, and the underwriters will be obligated to purchase all the offered securities if they purchase any of them. The underwriters may change from time to time any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers.

If dealers are used in the sale of securities offered through this prospectus, we will sell the securities to them as principals. They may then resell those securities to the public at varying prices determined by the dealers at the time of resale. The prospectus supplement will include the names of the dealers and the terms of the transaction.

Direct sales and sales through agents

We may sell the securities offered through this prospectus directly. In this case, no underwriters or agents would be involved. Such securities may also be sold through agents designated from time to time. The prospectus supplement will name any agent involved in the offer or sale of the offered securities and will describe any commissions payable to the agent. Unless otherwise indicated in the prospectus supplement, any agent will agree to use its reasonable best efforts to solicit purchases for the period of its appointment.

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We may sell the securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any sale of those securities. The terms of any such sales will be described in the prospectus supplement.

Underwriter, dealer or agent discounts and commissions

Underwriters, dealers or agents may receive compensation in the form of discounts, concessions or commissions from us or our purchasers as their agents in connection with the sale of securities. These underwriters, dealers or agents may be considered to be underwriters under the Securities Act. As a result, discounts, commissions, or profits on resale received by the underwriters, dealers or agents may be treated as underwriting discounts and commissions. Each prospectus supplement will identify any such underwriter, dealer or agent, and describe any compensation received by them from us. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time. The maximum commission or discount to be received by any underwriter, dealer or agent will not be greater than eight percent (8%) of the maximum gross proceeds of the securities that may be sold under this prospectus.

Delayed delivery contracts

If the prospectus supplement indicates, we may authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase securities at the public offering price under delayed delivery contracts. These contracts would provide for payment and delivery on a specified date in the future. The contracts would be subject only to those conditions described in the prospectus supplement. The applicable prospectus supplement will describe the commission payable for solicitation of those contracts.

Market making, stabilization and other transactions

Unless the applicable prospectus supplement states otherwise, each series of offered securities will be a new issue and will have no established trading market. We may elect to list any series of offered securities on an exchange. Any underwriters that we use in the sale of offered securities may make a market in such securities, but may discontinue such market making at any time without notice. Therefore, we cannot assure you that the securities will have a liquid trading market.

Any underwriter may also engage in stabilizing transactions, syndicate covering transactions and penalty bids in accordance with Rule 104 under the Securities Exchange Act. Stabilizing transactions involve bids to purchase the underlying security in the open market for the purpose of pegging, fixing or maintaining the price of the securities. Syndicate covering transactions involve purchases of the securities in the open market after the distribution has been completed in order to cover syndicate short positions.

Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the securities originally sold by the syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. Stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of the securities to be higher than it would be in the absence of the transactions. The underwriters may, if they commence these transactions, discontinue them at any time.

Derivative transactions and hedging

We, the underwriters or other agents may engage in derivative transactions involving the securities. These derivatives may consist of short sale transactions and other hedging activities. The underwriters or agents may acquire a long or short position in the securities, hold or resell securities acquired and purchase options or futures on the securities and other derivative instruments with returns linked to or related to changes in the price of the securities. In order to facilitate these derivative transactions, we may enter into security lending or repurchase agreements with the underwriters or agents. The underwriters or agents may effect the derivative transactions through sales of the securities to the public, including short sales, or by lending the securities in order to facilitate short sale transactions by others. The underwriters or agents may also use the securities purchased or borrowed from us or others (or, in the case of derivatives, securities received from us in settlement of those derivatives) to directly or indirectly settle sales of the securities or close out any related open borrowings of the securities.

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Electronic auctions

We may also make sales through the Internet or through other electronic means. Since we may from time to time elect to offer securities directly to the public, with or without the involvement of agents, underwriters or dealers, utilizing the Internet or other forms of electronic bidding or ordering systems for the pricing and allocation of such securities, you should pay particular attention to the description of that system we will provide in a prospectus supplement.

Such electronic system may allow bidders to directly participate, through electronic access to an auction site, by submitting conditional offers to buy that are subject to acceptance by us, and which may directly affect the price or other terms and conditions at which such securities are sold. These bidding or ordering systems may present to each bidder, on a so-called real-time basis, relevant information to assist in making a bid, such as the clearing spread at which the offering would be sold, based on the bids submitted, and whether a bidder s individual bids would be accepted, prorated or rejected. For example, in the case of a debt security, the clearing spread could be indicated as a number of basis points above an index treasury note. Of course, many pricing methods can and may also be used.

Upon completion of such an electronic auction process, securities will be allocated based on prices bid, terms of bid or other factors. The final offering price at which securities would be sold and the allocation of securities among bidders would be based in whole or in part on the results of the Internet or other electronic bidding process or auction.

General information

Agents, underwriters, and dealers may be entitled, under agreements entered into with us, to indemnification by us against certain liabilities, including liabilities under the Securities Act.

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LEGAL MATTERS

The validity of the securities being offered pursuant to this prospectus will be passed upon by McDonald Carano Wilson LLP, Reno, Nevada.

EXPERTS

The consolidated financial statements of OncoSec Medical Incorporated, a development stage company, appearing in the Company s Annual Report on Form 10-K for the fiscal year ended July 31, 2013, filed with the SEC on September 27, 2013, have been audited by Mayer Hoffman McCann P.C., an independent registered public accounting firm, as stated in its report therein, and are incorporated by reference. Such audited consolidated financial statements are incorporated hereby by reference in reliance upon such report of such firm given upon its authority as experts in accounting and auditing.

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INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference the information we file with it. This means that we can disclose important information to you in this prospectus by referring you to another document. The information incorporated by reference is considered to be a part of this prospectus, and information that we file later with the SEC will automatically update and supersede information contained in this prospectus and any accompanying prospectus supplement. We incorporate by reference the documents listed below that we have previously filed with the SEC (excluding any portions of any Form 8-K that are not deemed filed pursuant to the General Instructions of Form 8-K):

- our Annual Report on Form 10-K for the fiscal year ended July 31, 2013 filed with the SEC on September 27, 2013;

- our Quarterly Reports on Form 10-Q for the quarters ended October 31, 2013 and January 31, 2014 and filed with the SEC on December 16, 2013 and March 14, 2014, respectively;

- our Current Reports on Form 8-K filed with the SEC on September 19, 2013, December 17, 2013 and March 13, 2014; and

- the description of our common stock contained in our Registration Statement on Form 8-A filed with the SEC on March 31, 2011, including any amendments or reports filed for the purpose of updating such description.

We also incorporate by reference into this prospectus additional documents that we may file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the completion or termination of the offering, including all such documents we may file with the SEC after the date of the initial registration statement and prior to the effectiveness of the registration statement, but excluding any information deemed furnished and not filed with the SEC. Any statements contained in a previously filed document incorporated by reference into this prospectus is deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus, or in a subsequently filed document also incorporated by reference herein, modifies or supersedes that statement.

We will provide without charge to each person, including any beneficial owner, to whom a prospectus is delivered, on written or oral request of that person, a copy of any or all of the documents we are incorporating by reference into this prospectus, other than exhibits to those documents unless such exhibits are specifically incorporated by reference into those documents. Such written requests should be addressed to:

OncoSec Medical Incorporated

9810 Summers Ridge Road, Suite 110

San Diego, California 92121

Attention: Investor Relations

You may also make such requests by contacting us at (858) 662-6732.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports and proxy statements and other information with the SEC. You may read and copy any document that we file at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. Our SEC filings are also available on the SEC s web site at http://www.sec.gov. Copies of certain information filed by us with the SEC are also available on our web site at http://www.oncosec.com. We have not incorporated by reference into this prospectus the information on our website, and you should not consider it to be a part of this document.

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Part II

Information Not Required in the Prospectus

Item 14. Other Expenses of Issuance and Distribution

The aggregate estimated (other than the registration fee) expenses payable by the Company in connection with a distribution of securities registered hereby are as follows:

Securities and Exchange Commission registration fee	$	9,660
Accounting fees and expenses		5,000
Legal fees and expenses		20,000
Printing expenses		5,000
Miscellaneous		5,000
Total	$	44,660

Item 15. Indemnification of Directors and Officers

Nevada Revised Statutes provide us with the power to indemnify any of our directors and officers. The director or officer must have conducted himself/herself in good faith and reasonably believe that his/her conduct was in, or not opposed to, our best interests. In a criminal action, the director or officer must not have had reasonable cause to believe his/her conduct was unlawful.

Under applicable sections of the Nevada Revised Statutes, advances for expenses may be made by agreement if the director or officer affirms in writing that he/she believes he/she has met the standards and will personally repay the expenses if it is determined the officer or director did not meet the standards.

Our bylaws include an indemnification provision under which we must indemnify any of our directors or officers, or any of our former directors or officers, to the full extent permitted by law. If Section 2115 of the California Corporations Code is applicable to us, certain laws of California relating to the indemnification of directors, officer and others also will govern.

At present, there is no pending litigation or proceeding involving any of our directors or officers for which indemnification is sought, nor are we aware of any threatened litigation that is likely to result in claims for indemnification. We also maintain insurance policies that indemnify our directors and officers against various liabilities, including liabilities arising under the Securities Act, which may be incurred by any director or officer in his or her capacity as such.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event a claim for indemnification against such liabilities (other than payment by us for expenses incurred or paid by a director, officer or controlling person of ours in successful defense of any action, suit, or proceeding) is asserted by a director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction, the question of whether such indemnification by it is against public policy in the Securities Act and will be governed by the final adjudication of such issue.

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Item 16. Exhibits

The following exhibits are filed herewith or incorporated by reference herein:

Exhibit Number	Exhibit Title
1.1	Form of Underwriting Agreement*
3.1	Certificate of Incorporation of Netventory Solutions, Inc. (incorporated by reference to our Registration Statement on Form S-1, filed on September 3, 2008)
3.2	Amended and Restated Bylaws (incorporated by reference to our Current Report on Form 8-K, filed on March 6, 2012)
3.3	Articles of Merger dated February 9, 2011 (incorporated by reference to our Current Report on Form 8-K, filed on March 3, 2011)
3.4	Certificate of Change dated February 9, 2011 (incorporated by reference to our Current Report on Form 8-K, filed on March 3, 2011)
3.5	Certificate of Correction dated March 9, 2011 (incorporated by reference to our Current Report on Form 8-K, filed on March 14, 2011)
4.1	Form of Senior Indenture
4.2	Form of Subordinated Indenture
4.3	Form of Senior Debt Security (included in Exhibit 4.1)
4.4	Form of Subordinated Debt Security (included in Exhibit 4.2)
4.5	Form of Warrant Agreement*
4.6	Form of Warrant Certificate*
5.1	Opinion of McDonald Carano Wilson LLP
12.1	Computation of Ratio of Earnings to Fixed Charges
23.1	Consent of Independent Registered Public Accounting Firm
23.2	Consent of McDonald Carano Wilson LLP (included in Exhibit 5.1)
24.1	Power of Attorney (see page II-6)
25.1	Form T-1 Statement of Eligibility of Trustee for Senior Indenture under the Trust Indenture Act of 1939**
25.2	Form T-1 Statement of Eligibility of Trustee for Subordinated Indenture under the Trust Indenture Act of 1939**

* To be filed by amendment or as an exhibit to a report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and incorporated herein by reference.

** To be filed in accordance with the requirements of Section 305(b)(2) of the Trust Indenture Act of 1939.

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Item 17. Undertakings

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, *however*, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the registration statement is on Form S-3 or Form F-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) If the registrant is relying on Rule 430B,

(A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness

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or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided*, *however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to the effective date; or

(ii) If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided*, *however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer and sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant s annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan s annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered

therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

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(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding), is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(e) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the SEC under Section 305(b)(2) of the Trust Indenture Act.

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Signatures

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Diego, State of California, on the 18th day of April, 2014.

ONCOSEC MEDICAL INCORPORATED

By: /s/ Punit Dhillon
Punit Dhillon, President and Chief Executive Officer

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Punit Dhillon and Veronica Vallejo, and each of them individually, as his true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities to sign the Registration Statement filed herewith and any or all amendments to said Registration Statement (including post-effective amendments and registration statements filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and otherwise), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission granting unto said attorneys-in-fact and agents the full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the foregoing, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his or her substitute, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Punit Dhillon **Punit Dhillon**	President, Chief Executive Officer and Director (Principal Executive Officer)	April 18, 2014
/s/ Veronica Vallejo **Veronica Vallejo**	Chief Financial Officer (Principal Financial and Accounting Officer)	April 18, 2014
/s/ James DeMesa **Dr. James DeMesa**	Director	April 18, 2014
/s/ Avtar Dhillon **Dr. Avtar Dhillon**	Director	April 18, 2014
/s/ Anthony Maida, III **Dr. Anthony Maida, III**	Director	April 18, 2014

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** To be filed in accordance with the requirements of Section 305(b)(2) of the Trust Indenture Act of 1939.