

Insider Trading and Tipping Policy

1. TERMINOLOGY

1.1 “**Insider**” means a director or senior officer of the Corporation, a person who beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting securities of the Corporation (a “**10% Shareholder**”) or a director or senior officer of a subsidiary of the Corporation or a 10% Shareholder.

1.2 A “**Person in a Special Relationship with the Corporation**” includes an affiliate of the Corporation, each director, officer and employee of the Corporation, each 10% Shareholder, each director, officer and employee of a 10% Shareholder and any spouse, live-in partner or relative of any of the foregoing who resides in the same household. The term also extends to directors, officers, partners and employees of business or professional service providers to the Corporation who routinely come into contact with material undisclosed information relating to the Corporation and to persons or companies who learn of material undisclosed information relating to the Corporation from any of the foregoing (and who know or ought to know that the person or company was in such a special relationship).

1.3 “**senior officer**” means (i) the chair or vice-chair of the board of directors, the chief executive office, the president, the chief financial officer, any vice-president, the secretary, the treasurer or the general manager of a company or any other individual who performs functions for an issuer similar to those normally performed by an individual occupying such office and (ii) each of the five highest paid employees of an issuer, including the individuals referred to in clause (i).

1.4 A company is considered to be a “**subsidiary**” of another company if it is controlled by (i) that other company, (ii) that other company and one or more companies, each of which is controlled by that other company, or (iii) two or more companies, each of which is controlled by that other company; or it is a subsidiary of a company that is that other’s subsidiary. In general, a company will control another company when the first company owns more than 50% of the outstanding voting securities of the other company.

1.5 “**trading**” includes the purchase or sale of common shares of the Corporation, the grant and exercise of stock options of the Corporation, and the sale of securities acquired through the exercise of such options.

1.6 “**material nonpublic information**” has the meaning ascribed to it in Appendix 1.

2. APPLICABLE LAW

2.1 Under applicable Canadian law, Persons in a Special Relationship with the Corporation may not trade securities of the Corporation with knowledge of material nonpublic information relating to the Corporation (*insider trading*) until such information has been made public and may not disclose such information other than in the necessary course of business (*tipping*). Trading includes the acquiring or disposing of shares or other securities of the Corporation, including the grant, exercise or expiry of stock options.

2.2 The directors, officers and employees of the Corporation and its subsidiaries may become aware of undisclosed material information relating to another public company (for example, as a result of business dealings or negotiations with respect to a significant transaction, joint venture or other activity). If they do, the prohibitions on insider trading and tipping apply to the securities, and to the undisclosed material information, of the other public company, and the prohibitions on insider trading apply to any other securities, the market price or value of which may reasonably be expected to be affected by changes in the market price or value of the securities of the Corporation or the other public company.

2.3 A person who contravenes the insider trading and tipping prohibitions may be liable to significant criminal and civil penalties under Canadian law.

3. SPECULATION

3.1 To ensure that perceptions of improper insider trading do not arise, Insiders should not speculate in securities of the Corporation. For the purposes of this Policy, “**speculate**” means the purchase or sale of securities with the intention of reselling or buying back in a relatively short period of time in the expectation of a rise or fall in the market price of such securities. Speculation is distinguished from purchasing and selling securities as part of a long term investment program.

3.2 Insiders must not at any time, except as permitted by applicable law, sell short securities of the Corporation or any of its affiliates if they do not own or have not fully paid for the securities and must not sell a call or a put option in respect of securities of the Corporation or any of its subsidiaries or affiliates.

4. TRADING BLACKOUTS

4.1 To protect against unauthorized trading in the securities of the Corporation, all directors, officers and employees of the Corporation are required to observe the following rules.

(a) **General Blackouts.** Directors, officers and employees of the Corporation are prohibited from trading in the Corporation’s securities during the period of time commencing fourteen days prior to day on which the financial results for a fiscal quarter or fiscal year have been generally disclosed by way of a news release until two full trading days after such financial results for such period have been generally disclosed by way of a news release.

(b) **Specific Blackouts.** The Corporation may impose by notice specific blackouts from time to time (e.g. before an unscheduled board meeting or announcement of material information) during which all directors, officers and employees of the Corporation are prohibited from trading in the Corporation’s securities until otherwise advised by the Corporation.

4.2 During blackout periods, the Corporation will avoid discussions with analysts, private briefings and media interviews to the maximum extent reasonable. An appropriate response, not involving the disclosure of material non-public information, will be developed ahead of meetings that cannot be avoided to handle questions about information which is relevant to the blackout.

5. COMPLIANCE PROCEDURES

5.1 To ensure compliance with applicable laws and corporate policy, all trading in shares, options or other securities of the Corporation by the directors, officers and employees of the Corporation is subject to the following procedures:

(a) The President will be responsible for approving and monitoring the trading activity of all directors, officers and employees of the Corporation.

(b) All directors, officers and employees of the Corporation who wish to trade shares, options or other securities of the Corporation (or any other public company) and who are uncertain whether they have undisclosed material information relating to the Corporation (or other public company) must contact the President to determine whether the information is material and has been publicly disclosed.

(c) All directors, officers and employees of the Corporation and any of its subsidiaries who wish to trade shares, options or other securities of the Corporation must contact the President before trading to determine whether or not they may complete the trade.

Appendix 1

Definition of Material Nonpublic Information

It is not possible to define all categories of material information. However, information should be regarded as material if there is a reasonable likelihood that it would be considered important to a reasonable investor in making an investment decision regarding the purchase or sale of the Corporation's securities.

While it may be difficult under this standard to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information may include:

- Financial results
- Projections of future earnings or losses
- Results of product development
- News of a pending or proposed merger or joint venture
- News of the disposition of a subsidiary
- Impending bankruptcy or financial liquidity problems
- Gain or loss of a substantial customer or supplier
- New product announcements of a significant nature
- Significant product defects or modifications
- Significant pricing changes
- Stock Splits or Consolidations
- New equity or debt offerings
- Acquisitions
- Significant litigation exposure due to actual or threatened litigation
- Major changes in senior management.

Either positive or negative information may be material.

Nonpublic information is information that has not been previously disclosed to the general public and is otherwise not available to the general public.