

Insider Trading and Blackout Policy

This memorandum sets forth the Corporation's policy on insider trading and trading blackouts in order to ensure strict compliance by all insiders with the prohibition with insider trading.

General Rule

All those with access to material confidential information are prohibited from using such information in trading in the Corporation's securities until the information has been fully disclosed and a reasonable period of time has passed for the information to be disseminated. In general, the Corporation has stipulated that a minimum of 2 clear trading days be allowed after the release of all such disclosures, including after the release of financial statements.

This prohibition applies not only to trading in the Corporation's securities, but also to trading in other securities whose value may be affected by changes in the price of the Corporation's securities.

If an employee becomes aware of undisclosed material information about another public Corporation, the employee may not trade in the securities of that other Corporation.

Insider trading is strictly regulated by the corporate and securities laws in Canada as well as the Toronto Stock Exchange.

Insiders

All directors, senior officers and major shareholders (over 10%) are insiders and must file an initial report with the applicable securities commissions and with all other securities regulatory authorities in Canada upon acquiring any securities in the Corporation or upon becoming an insider (whichever last occurs) and to report all trades made in the securities of the Corporation within 10 days of the day any trade is made. Trades include a change in nature of the ownership of the securities (e.g. a disposition to a company controlled by the insider or determination that the securities are to be held in trust for another person). A senior officer is defined as:

- a) a chair or vice-chair of the board of directors, the president, the vice-president, the chief financial officer, 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;
- b) each of the five highest paid employees of an issuer, including any individual referred to in clause (a).

Each person that is obligated to file a report is responsible for filing his or her own report.

Special Relationship

Any person or company that is in a “special relationship” with the Corporation is prohibited from trading on the basis of undisclosed material information concerning the affairs of the Corporation. A person or company considered to be in a “special relationship” includes the following:

- a) insiders;
- b) affiliates or associates of the Corporation which include, for example, the Corporation’s subsidiaries and all employees, their spouses and other relatives that live with the employee;
- c) a person or company proposing to make a take-over bid of the Corporation or to become a party to a reorganization, amalgamation or merger with the Corporation; and
- d) a person involved in the provision of business or professional services for the Corporation, including employees.

Securities laws also prohibit “tipping” which is defined as communication non-public material information, other than in the necessary course of business, to another person. All employees must ensure that they do not divulge such non-public information to any unauthorized person, whether or not such person may trade on the information. If in doubt about the need to disclose, the matter should be discussed with the President of the Corporation.

Speculation In Securities

In order to ensure that perception of improper insider trading do not arise, insiders should not “speculate” in securities of the Corporation. For the purpose of the Policy, the word “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. Speculating in such securities for a short term profit is distinguished from purchasing and selling securities as part of a long term investment program.

Insiders should not at any time sell securities of the Corporation short or buy or sell a call or put option in respect of securities of the Corporation or any of its affiliates.

Liability For Insider Trading

Liability is imposed by the Securities Act (Ontario) (the “Act”) on certain persons who, in connection with the purchase or sale of securities, make improper use of material information that has not been publicly disclosed.

The relevant provincial securities legislation provides that persons who are in a special relationship with the Corporation and purchase or sell securities of the Corporation with knowledge of material information which has not been generally disclosed may be liable for damages to the person on the other side of the trade. In addition, any such person who informs or tips a seller or a purchaser of securities of confidential material information may be liable for damages. The purchase, vendor or informer is also liable to account to the Corporation for his or her gain. Under the Act, a person could also be fined up to the greater of \$1,000,000 and 3 times any profit made and/or imprisoned for up to 2 years.

Please note that anyone who learns of material undisclosed information from any person in a special relationship with the Corporation is also considered to be in a special relationship with the Corporation.

What is a Security?

The definition of “security” includes shares, options, subscriptions or other interests in or to a security and includes puts, calls, or other rights or obligations to purchase or sell securities, the market price of which varies materially with the market price of the securities of the Corporation.

Trading Blackouts

1. General

A trading blackout prohibits trading:

- a) before a scheduled material announcement is made;
- b) before an unscheduled material announcement is made; and
- c) for a specific period of time after a material announcement has been made.

Management will consider pending transactions to determine when to prohibit trading. In some cases, the prohibition on trading may occur as soon as discussions about a transaction begin. During blackout periods, the Corporation must also avoid discussion with analysts, private briefings and interviews to the maximum extent reasonable. An appropriate response (not involving disclosure of material non-public information) should be developed ahead of meeting that cannot be avoided to handle questions about the information which is the subject of the blackout.

2. Pre-Announcement Trading Blackout

a) Scheduled material announcement

All directors, officers and employees are prohibited from trading for a minimum of 10 trading days before the release of financial statements.

b) Unscheduled material announcements

The Corporation will impose a blackout period if there is a pending undisclosed material development on all directors, officers and employees where they are prohibited from trading. The blackout period will commence at the time that the Corporation becomes aware of material undisclosed information.

3. Post-Announcement Trading Blackout

The Corporation must allow the market time to absorb the information before directors, officers and employees can resume trading after the release of material information.

Scheduled material announcement

- a) All directors, officers and employees are prohibited from trading for 2 trading days after the release of financial statements.
- b) **Unscheduled material announcement**

All directors, officers and employees are prohibited from trading for 2 trading days after the announcement has been made.

4. Contact Person

Prior to initiating any trade in securities of the Corporation, a director or officer or employee seeking to make the trade must contact the President or the Chief Financial Officer of the Corporation to determine whether or not they may complete the trade.