

## **DISCLOSURE POLICY**

### **1. OBJECTIVE AND SCOPE**

The objective of this Disclosure Policy (this “Policy”) is to ensure that communications with the investing public about the Company are:

- \* Timely, factual, accurate, and balanced; and
- \* Broadly disseminated in accordance with all applicable legal and regulatory requirements.

This Disclosure Policy confirms in writing the Company’s existing disclosure policies and practices. Its goal is to raise awareness of the Company’s approach to disclosure among the Board of Directors, senior management and employees. A significant benefit is to raise awareness of the risk of selective disclosures. Among other things, this better awareness can reduce the likelihood of inadvertent insider trading.

The Disclosure Committee (“the Committee”) is responsible for implementing this Policy. In doing so, the Committee plays a key role in assisting the President and Chief Executive Officer and Executive Vice President, Chief Financial Officer and Secretary in making certifications. A properly documented process will also equip the Company, its officers, directors and spokespersons with the ability to mount an effective defense in the event that they are named in legal action relating to the Company’s disclosures.

This Disclosure Policy extends to all employees of the Company and its subsidiaries, the Board of Directors, those authorized to speak on its behalf and all other insiders. It covers disclosure in documents filed with the securities regulators, financial and non-financial disclosure, including management’s discussion and analysis (“MD&A”) and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, presentations by senior management, and information contained on the Company’s website and in other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

### **2. DISCLOSURE COMMITTEE**

The Board of Directors has established a Disclosure Committee which is responsible for ensuring that all securities regulatory disclosure requirements are met and for overseeing the Company’s disclosure practices. This responsibility includes the design, implementation and regular evaluation of the Company’s disclosure controls and procedures to ensure that information required to be disclosed in Company filings is made known to the Committee and recorded, processed, summarized and reported within the required time periods.

The Committee currently consists of the Company’s President and Chief Executive Officer (ex-officio), the Executive Vice-President, Chief Financial Officer and Secretary, the Vice-President, Finance and Assistant Secretary, the Vice-President, Corporate Services, the Director, Finance and Corporate Controller, or in their absence, their designated representatives. The Committee will invite other officers, Directors and

employees of the Company, when deemed advisable, to assist in the discussion and consideration of its duties.

It is essential that the Committee be kept fully apprised of all pending material Company developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. The Committee will identify appropriate industry and Company disclosure benchmarks, for a preliminary assessment of materiality and timely disclosure. Guided by these benchmarks the Committee will use experience and judgment to determine the timing for public release of material information. If it is deemed that material information should remain confidential, the Committee will determine how that inside information will be controlled including contacting Market Regulation Services Inc. ("RS") to ask that the stock be closely monitored, notifying the Chairman of the Board or other appropriate Board members of that decision, and ensuring that the appropriate regulatory filings are made and updated as required.

The Committee will review all news releases and core disclosure documents prior to their release or filing.

The Committee is responsible for ensuring that the stock exchange on which the Company is listed has comprehensive contact information for the Company spokespersons and that the Company staff are aware of their responsibilities if the stock exchange or its representatives calls the Company.

The Committee will meet as conditions dictate and will keep records of these meetings.

The Committee will review, and update if necessary, this Disclosure Policy annually or as needed to ensure compliance with changing regulatory requirements, and make recommendations to the Board of Directors via its Audit Committee for any appropriate changes to the policy. The Chairman of the Committee will report to the Audit Committee quarterly on disclosure issues, the process followed, the assessment of the disclosure and other relevant disclosure matters.

### **3. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION**

Material information is any information (including material facts and material changes) relating to the business and affairs of the Company that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. In complying with the requirement to immediately disclose all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

- \* Material information will be publicly disclosed immediately via news release;
- \* Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading);
- \* There must not be any selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an investor

meeting or during a telephone conversation with an analyst). If previously undisclosed material information is inadvertently disclosed, this information must be broadly disclosed immediately via news release. If the information is inadvertently disclosed during RS business hours, the Company must call RS to discuss and/or discuss a halt in trading while the news release is written;

\* In some circumstances involving a material change, the Committee may determine that disclosure would be unduly detrimental to the Company (for example, if release of information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the Committee determines that it is appropriate to publicly disclose. In these circumstances, the Committee will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every ten days) review its decision to keep the information confidential (see "Rumours");

\* Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees. Derivative information (information extracted from a document filed on behalf of another person or company), which is included in a document or oral statement, should include a reference identifying the document that was the source of the information;

\* Disclosure on the Company's website alone does not constitute adequate disclosure of material information; and

\* Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure contained a material error at the time it was given.

#### **4. TRADING RESTRICTIONS AND BLACKOUT PERIODS**

Reference is made to the Policy on Trading Restrictions and Blackout Periods of the Company with respect to:

- (i) Restrictions on trading in the shares of the Company during certain periods; and
- (ii) Prohibitions against trading with the knowledge of material facts with respect to the Company.

#### **5. MAINTAINING CONFIDENTIALITY**

Any employee privy to confidential information will be so advised and is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to confidential material information to only those who need to know the information and those persons will be advised that the information is to be kept confidential.

Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge this information to anyone else, other than in the necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside parties may be required to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

To prevent the misuse or inadvertent disclosure of material information, the following procedures should be observed at all times:

- \* Documents and files containing confidential information should be kept in a safe place, with access restricted to individuals who “need to know” that information in the necessary course of business. Code names should be used if necessary;
- \* Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
- \* Confidential matters should not be discussed on cell phones or other wireless devices;
- \* Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;
- \* Employees must ensure that they maintain the confidentiality of information in their possession outside of the office as well as inside the office;
- \* Transmission of documents by electronic means, such as by fax, e-mail or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- \* Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed; and
- \* Access to confidential electronic data should be restricted through the use of passwords.

## **6. QUIET PERIODS**

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe quiet periods prior to quarterly earnings announcements or when material changes are pending. Regular quiet periods will commence on the first (1st) day of the month following the end of a quarter and ends on the second day following the issuance of a news release disclosing quarterly results. If and when particular issues are put in the market place by means of a press release, the quiet period ends 48 hours after the issuance of the press release.

During a quiet period, the Company will not initiate any meetings or telephone contacts with analysts and investors, but will respond to unsolicited inquiries concerning factual matters. A quiet period will not prevent the Company from pursuing business opportunities or entering into a transaction. If the Company is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the Company will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, caution will be exercised to avoid selective disclosure of any material, non-public information.

## **7. DESIGNATED SPOKESPERSONS**

The Company designates a limited number of spokespersons with authority for communication with the investment community, regulators and the media. The President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Secretary shall be the official spokespersons for the Company. Investor relations firm representatives shall also speak on behalf of the Company, in accordance with instructions from, and arrangements with, the Company. The President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Secretary may, from time to time, designate others within the Company with authority to speak on behalf of the Company as back-ups or to respond to specific inquiries.

Directors, officers and employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. All such inquiries are to be referred to the President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Secretary or investor relations firm representatives.

## **8. NEWS RELEASES**

Once the Committee and management determine that a development is material, they will authorize the issuance of a news release unless it is determined that such developments must remain confidential for the time being. If developments are to remain confidential, appropriate confidential filings must be made and control of the inside information must be instituted. Should a material statement inadvertently be made in a selective forum, the Company will immediately issue a news release to fully disclose that information. If the inadvertent disclosure occurs during business hours of RS, the Company must call RS to discuss and/or request a halt in trading while the news release is written.

The Audit Committee and Board of Directors will review news releases containing earnings guidance and financial results prior to issuance. Financial results will be publicly released immediately following Audit Committee and Board of Directors approval of the MD&A, financial statements and notes.

If the stock exchange upon which shares of the Company are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to its market surveillance division to enable a trading halt, if deemed necessary by the stock exchange. If a news release announcing material information is issued outside of trading hours, RS must be notified promptly and in any event before the market reopens.

News releases will be disseminated through an approved news wire service that provides simultaneous national distribution. Full-text news releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media, and the local media in areas where the Company has its headquarters and operations.

News releases will be posted on the Company's website immediately after confirmation of dissemination over the newswire. The website will include a notice that advises the

reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures.

If the subject of a press release is a material change for the Company, a material change report will also be filed with applicable securities regulators as soon as practicable, but in any event within 10 days of the issuance of the news release.

## **9. CONFERENCE CALLS**

Conference calls may be held for quarterly earnings and may be held for major corporate developments accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties applicable to the news.

The Company will provide advance notice of the conference call and webcast by issuing a news release announcing the date, time and topic and providing information on how interested parties may access the call and webcast. These details will be provided on the Company's website. In addition, the Company may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the website for others to view.

A tape replay of the conference call will be made available for a minimum of seven days and an archived audio webcast and/or text transcript will be made available on the Company's website for an appropriate period of time.

The Committee will hold a debriefing meeting immediately after the conference call and if it determines that selective disclosure of previously undisclosed material information has occurred, the Company will immediately disclose or correct the information broadly via news release. If the inadvertent disclosure occurs during business hours of RS, the Company must call RS to discuss and/or request a halt in trading while the news release is written.

## **10. RUMOURS**

The Company does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. The Company's spokespersons will respond consistently to any rumours, saying, "It is our policy not to comment on market rumours or speculation".

Should the stock exchange request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Company will consider the matter and decide whether to make a policy exception. If the rumour is true in whole or in part, this may be evidence of a leak, and the Company will immediately issue a news release disclosing the relevant material information.

## **11. CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Company intends to discuss material information at an analyst or shareholder meeting or a press conference or a conference call, the discussion must be preceded by a news release of the material information.

The Company recognizes that meetings with analysts and significant investors are an important element of its investor relations program. The Company will meet with analysts and investors individually or in small groups as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Disclosure Policy. All analysts will receive fair treatment regardless of whether they are recommending buying or selling the Company's securities.

The Company will provide only non-material information through individual and group meetings, in addition to previously publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

The Company will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors and may post this information on its website.

Spokespersons will keep notes, as appropriate, of telephone conversations with analysts and investors and when practicable more than one representative of the Company should be present at all individual and group meetings. These notes will be available for review by the Disclosure Committee to determine whether selective disclosure of previously undisclosed material information has occurred. If so, the Company will immediately disclose the information broadly via news release.

Members of the media should not receive material information on an exclusive, embargoed or selective basis. They will receive material information at the same time as everyone else: when a full public announcement is made. Company spokespersons will keep notes, as appropriate, of telephone conversations with reporters and will follow up with reporters when there is an inaccuracy in an article, in order to set the record straight, and ensure that the same error does not recur in future articles.

## **12. REVIEWING ANALYST REPORTS AND FINANCIAL MODELS**

Upon request, the Company may review analysts' draft research reports or financial models for factual accuracy based on publicly disclosed information. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's financial model and earnings estimates.

To avoid appearing to endorse an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

### **13. LIMITS ON DISTRIBUTING ANALYST REPORTS**

Analyst reports are proprietary products of the analyst's firm. Distributing, referring to or providing links to analyst reports may be viewed as an endorsement by the Company of the reports. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or generally to employees of the Company, including posting such reports on its website. Notwithstanding the foregoing, the Company may distribute analyst reports to its Directors and senior officers in order to monitor the communications of the Company and to assist them in understanding how the marketplace values the Company and how corporate developments affect the analysis.

Analyst reports may also be provided to the Company's financial and professional advisors in the necessary course of business. The Company may post on its website a complete listing, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, this list will not include links to the analysts' or any other party websites or publications.

### **14. FORWARD-LOOKING INFORMATION**

A consistent approach to disclosure is important. Should the Company elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, press releases, etc., the following guidelines must be observed and are necessary in order to qualify for safe harbour protection under amendments to the Ontario Securities Act, and any other securities legislation, which extend statutory civil liability to secondary market disclosures for any "reporting issuer" (which includes all TSX issuers):

- \* All material forward-looking information will be broadly disseminated via news release;
- \* The information will be published only if there is a reasonable basis for drawing the conclusions or making the forecast and projections set out in the forward-looking information;
- \* The document or public oral statement containing the forward-looking information must have, proximate to that information:
  - (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and
  - (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information.

\* Additionally, the information may be accompanied by supplementary information such as a range of reasonably possible outcomes or a sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome. Public oral statements also require a cautionary statement that actual results could differ materially and a reference to material factors and assumptions that could cause actual results to differ materially and to one or more readily available documents that outline such factors or assumptions.

The information will be accompanied by a statement that the information is stated as of the current date, and is subject to change after that date, and the Company does not undertake to update any forward-looking information that is contained in that particular disclosure document or other communications.

Once disclosed, the Company's practice for updating forward-looking information will be to regularly assess whether previous statements of forward-looking information should be replaced by new financial outlooks, and ensure that past disclosure of forward-looking information is accurately reflected in current MD&A.

If the Company has issued a forecast or projection in connection with an offering document covered by National Policy 48 "Future Oriented Financial Information", the Company will update that forecast or projection periodically as required by National Policy 48.

## **15. PROVIDING GUIDANCE**

Through regular public dissemination of quantitative and qualitative information, the Company will try to ensure that analysts' estimates are in line with the Company's expectations. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' financial models or earnings estimates.

If the Company has determined that it will be reporting results materially below or above publicly held expectations, it may disclose this information in a news release to enable discussion without risk of selective disclosure and to protect against a civil lawsuit alleging misleading disclosure (see "Forward-Looking Information") or failure to provide timely disclosure.

## **16. DISCLOSURE RECORD**

The Executive Vice-President, Chief Financial Officer and Secretary of the Company, or his delegate, will maintain a seven-year record of all public information about the Company, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors and newspaper articles, if any.

## **17. RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS**

This Disclosure Policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures are also responsible for ensuring that postings on the Company's website are reviewed and approved and that such disclosure is accurate, complete, up-to-date and in compliance with relevant securities laws.

Disclosure on the Company's website alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on the website will be preceded by the issuance of a news release.

All continuous disclosure documents will be provided in the Investor Relations section of the Company's website. All information posted, including text and audiovisual material,

will show the date the material was issued. Any material changes in information must be updated immediately, following issuance of a news release. The website will include a notice that advises the reader that the information was accurate at the time of posting, but may be superseded by subsequent disclosures.

The Executive Vice-President, Chief Financial Officer and Secretary of the Company will ensure that a log is maintained indicating the date that material information is posted and/or removed from the Investor Relations section of the website. Documents filed with securities regulators will be maintained on the website for a minimum of two years.

The Executive Vice-President, Chief Financial Officer and Secretary of the Company will ensure that all links from the Company website to third party websites are approved. The website will include a notice that advises readers that they are leaving the Company's website and that the Company is not responsible for the contents of the other site.

The Executive Vice-President, Chief Financial Officer and Secretary of the Company will ensure that responses are provided to electronic inquiries. Only public information or information that can otherwise be disclosed in accordance with this Disclosure Policy shall be used to respond to electronic inquiries. A file of these responses will be maintained for two years.

In accordance with this Disclosure Policy, employees (including designated spokespersons) are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities.

## **18. COMMUNICATION, EDUCATION AND ENFORCEMENT**

This Disclosure Policy extends to all employees of the Company, its Board of Directors and its authorized spokespersons. New Directors, officers and employees will be provided with a copy of this Disclosure Policy and educated about its importance and will be required to sign a confirmation as to their commitment to abide by the policy. This Disclosure Policy will be posted on the Company's website and changes will be communicated to all employees.

Any employee who violates this Disclosure Policy may face disciplinary action up to and including termination of employment with the Company without notice. The violation of this Disclosure Policy may also violate certain securities laws, which could expose Directors, officers or employees to personal liability. If it appears that an employee may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.