



**CLEARSTREAM ENERGY SERVICES INC.
TIMELY DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY
(Approved by the Board of Directors Dec 16, 2014, as amended
January1, 2017)**



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1. STATEMENT OF POLICY

It is a cornerstone of applicable securities laws and stock exchange rules that everyone who invests in securities of a publicly-listed company should have equal and timely access to material information that may affect their investment decisions. Accordingly, under applicable securities laws and stock exchange rules:

- (a) the Company is required to make prompt disclosure of all material information relating to the Company or its material subsidiaries;
- (b) every person or company in a special relationship with the Company who is in possession of material information about the Company which has not been generally disclosed is not permitted to:
 - (i) inform (or “tip”) others of such undisclosed material information, except in the necessary course of business; or
 - (ii) purchase or sell securities of the Company with knowledge of such undisclosed material information; and
- (c) every reporting insider, including significant shareholders, directors and officers of the Company, must report their trades in securities of the Company.

The purpose of this Timely Disclosure, Confidentiality and Insider Trading Policy (this “**Policy**”) is to ensure consistent, timely, accurate and broadly disseminated disclosure of material information relating to the Company and/or its material subsidiaries in accordance with applicable securities laws and stock exchange rules, to prevent the improper use or disclosure of material information or confidential information about the Company and to promote an understanding of and compliance with legal requirements and stock exchange rules. In this Policy, if the context requires, the “Company” refers to ClearStream Energy Services Inc. and its subsidiaries.

2. SCOPE OF THIS POLICY

2.1 Individuals Subject to this Policy

- (a) **General.** This Policy applies to all directors, officers, employees and consultants of the Company, its associates, and/or its affiliates and anyone associated with any of the foregoing individuals, including their household members, holding companies or any trust or estate in which the director, officer, employee or consultant has a substantial interest.
- (b) **Insiders.** Insiders of the Company, including significant shareholders and directors and officers of the Company, are subject to additional obligations under Section 13 of this Policy.



2.2 Securities Subject to this Policy

This Policy applies to all securities of the Company, including options, warrants, preferred shares, debentures and any other debt or equity securities of the Company and any other instruments, agreements or securities, the market price, value or payment obligations of which are derived from, referenced to or based on the value of securities of the Company.

2.3 Communications Subject to this Policy

This Policy applies to all disclosure made by the Company, including:

- (a) news releases;
- (b) documents filed with securities regulators and stock exchanges such as management information circulars, annual information forms, annual and interim financial statements and related management's discussion and analysis ("**MD&A**"), prospectuses, issuer bid circulars, directors' circulars and material change reports;
- (c) speeches, press conferences, conference calls, webcasts and management presentations;
- (d) interviews with market participants (including analysts), investors (including institutional investors), shareholders and the media;
- (e) communications with shareholders;
- (f) information posted on the Company's website;
- (g) e-mails and other electronic communications; and
- (h) non-public information provided to rating agencies and regulators.

3. **WHAT IS MATERIAL INFORMATION**

In this Policy, "**material information**" means any information relating to the business and affairs of the Company that results in or would reasonably be expected to have a significant effect on the market price or value of any of the Company's securities. Information is also "material" if a reasonable investor would consider the information important to a decision to buy, hold or sell any of the Company's securities.

Material information includes a material fact and any material change. A "**material fact**" means, when used in relation to securities issued or proposed to be issued, a fact that would reasonably be expected to have a significant effect on the market price or value of the securities. A "**material change**" means a change in the business, operations or capital of the



Company that would reasonably be expected to have a significant effect on the market price or value of any of the Company's securities, and includes a decision by the Board of Directors or by senior management (where management believes that the Board of Directors' confirmation of the decision is probable) to implement a material change.

The determination of whether or not information constitutes material information often involves the exercise of careful subjective judgment based on experience. Examples of information which may be material information include, but are not limited to, those examples listed on **Appendix A - Examples of Potentially Material Information**.

It is important to note that simply breaking information into seemingly non-material pieces does not make the information immaterial.

4. DISCLOSURE COMMITTEE

4.1 Composition

The Company has formed a committee (the "**Disclosure Committee**") consisting of: the Chief Executive Officer ("**CEO**"), the Chief Financial Officer ("**CFO**"), and the General Counsel and/or Corporate Secretary. The CEO will be the Chair of the Disclosure Committee.

4.2 Responsibilities

The Disclosure Committee is responsible for:

- (a) determining, among other matters, whether:
 - (i) information is material information (if applicable, in consultation with such other advisors as it may consider necessary);
 - (ii) a "material change" has occurred;
 - (iii) undisclosed material information exists;
 - (iv) selective disclosure has been or might be made; and/or
 - (v) a misstatement or incorrect statement has been made or whether a statement necessary to be made has been omitted;
- (b) evaluating the necessity of making public disclosures;
- (c) ensuring the timely disclosure of material information in accordance with securities laws;
- (d) overseeing the disclosure controls, procedures and practices of the Company;



- (e) reviewing and approving, before they are generally disclosed, each document to assess the quality of the disclosures made in the document including, but not limited to, whether the document is accurate and complete in all material respects;
- (f) monitoring the Company's website;
- (g) reviewing and approving the guidelines and procedures pursuant to which the information required to be disclosed in documents is obtained;
- (h) determining what steps are to be taken in the event selective disclosure or a misstatement or incorrect statement has been made or where a statement necessary to be made has been omitted;
- (i) educating the Company's directors, officers, employees and consultants about disclosure issues and the matters contemplated by this Policy;
- (j) overseeing the development and implementation of, monitoring the effectiveness of, and compliance with, this Policy; and
- (k) periodically, and at least annually, evaluating the effectiveness of this Policy and the Company's disclosure controls and procedures and reporting to the Audit Committee and Board of Directors on any recommended changes.

4.3 **Meetings and Minutes**

It is not expected that the Disclosure Committee will have formal meetings and prepare minutes of such meetings, although there may be circumstances where the Disclosure Committee considers it desirable to do so. Any member of the Disclosure Committee may call a meeting of the Disclosure Committee with such notice as circumstances dictate, to consider any matter within the mandate of the Disclosure Committee. Many decisions made by the Disclosure Committee will be made on a real time basis as a result of informal meetings and consultations among the members of the Disclosure Committee who are then available.

4.4 **Responsibility to Advise Disclosure Committee of Potential Material Information**

Any person to whom this Policy applies who becomes aware of a new development, circumstance or information that may constitute material information must immediately advise at least one member of the Disclosure Committee. If there is any doubt whether any particular information is material information, a member of the Disclosure Committee should be consulted.



5. SPOKESPERSONS

5.1 Individuals Who Are Authorized to Speak on Behalf of the Company

Only individuals designated by the Disclosure Committee (each, a “**Spokesperson**”) are authorized to speak on behalf of the Company (other than in the usual and necessary course of business), make public oral statements on behalf of the Company or otherwise communicate with securities regulators and stock exchanges, market participants (including analysts), investors (including institutional investors), shareholders, the media or rating agencies. No other person has actual or implied authority to speak on behalf of the Company or to make any public oral statement on behalf of the Company.

5.2 Referral of Inquiries

Every person to whom this Policy applies who is approached and asked to comment in any manner on the business or affairs of the Company must not respond under any circumstances except to refer all inquires to a Spokesperson, and must immediately notify a member of the Disclosure Committee that the approach was made.

6. DISCLOSURE OF MATERIAL INFORMATION

6.1 General

- (a) **Basic Rule: Immediate Disclosure.** The Company will immediately disclose all material information under applicable securities laws and stock exchange rules by issuing and filing a news release in accordance with Section 6.3 of this Policy. The only exception is in limited circumstances when it is determined that general disclosure should be delayed for a period of time for reasons of confidentiality in accordance with Section 6.4 of this Policy.
- (b) **Disclosure Factual and Balanced.** Material information disclosed by the Company must comply generally with the following requirements:
 - (i) the disclosure must be factual and balanced and must include any information the omission of which would make the disclosure misleading;
 - (ii) unfavourable information must be disclosed as promptly and completely as favourable information; and
 - (iii) all information must be communicated clearly and accurately without unnecessary details, exaggeration or editorialization.



6.2 Approvals for Disclosure of Material Information

- (a) **General Approvals.** The CEO and CFO must file a certificate with each annual and interim securities filing of the Company, as prescribed by applicable securities laws. Accordingly:
- (i) drafts of the relevant disclosure documents must be available for review by each of the CEO and CFO in advance of the reporting deadline, with sufficient time to review them and if necessary or desirable to discuss them with the Company's internal and external auditors, legal advisors and other responsible officers and employees;
 - (ii) each of the CEO and CFO must be satisfied that all relevant disclosure documents of the Company have been prepared with input from responsible officers and employees with appropriate judgements regarding the disclosure of material information; and
 - (iii) in addition to any other approvals required under this Policy, draft disclosure documents that will be addressed in the certifications required by the securities regulators must be approved in advance by each of the CEO and CFO before they are generally disclosed.
- (b) **Disclosure Documents Containing Financial Information.** Disclosure documents containing financial information or FOFI (as defined in Section 7.2 hereof), including the annual and interim financial statements and MD&A, must also be reviewed by the Board of Directors and/or, if applicable, the Audit Committee in accordance with the Audit Committee Charter. In general, the external auditors may also review any disclosure documents containing financial information.

6.3 News Releases

- (a) **Coordination.** The issuance of news releases, whether or not they contain material information, shall be coordinated by a member of the Disclosure Committee. All news releases must be reviewed and approved by a member of the Disclosure Committee. All news releases containing material information must be reviewed and approved by at least two members of the Disclosure Committee. News releases will typically include the name and telephone number of a Company official to be contacted about the news release.
- (b) **Procedure for Dissemination.** If a news release containing material information is to be issued between 8:00 a.m. (EST) and 5:00 p.m. (EST) ("**normal trading hours**"), prior notice by telephone (followed by submission of a written copy of the news release) must be given to the market surveillance



staff at the Investment Industry Regulatory Organization of Canada (“**IIROC**”) (who monitors trading on behalf of the Toronto Stock Exchange (“**TSX**”)), so that it can give assistance and direction on whether there should be a trading halt. If a news release is issued outside normal trading hours, IIROC must be notified before the market opens the next trading day. Regardless of when a news release involving material information is released, IIROC must be advised of the content of the news release and supplied with a copy in advance of its dissemination.

- (c) **Dissemination.** News releases will be disseminated through an approved news-wire service that provides national Canadian and simultaneous coverage. The news-wire service must provide dissemination of the full text of the news release to the national Canadian financial press and to daily Canadian newspapers that provide regular coverage of financial news, to all participating organizations (as defined in the TSX Company Manual), and to all relevant stock exchanges and securities regulators, and, if required by law or considered appropriate, filed on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”). News releases will be posted on the Company’s website after release through the news-wire service.

6.4 **Confidential Material Information**

If the Disclosure Committee determines that the general disclosure of material information would be unduly detrimental to the Company’s interests (for example, if general disclosure of the material information would prejudice negotiations in a corporate transaction or would provide competitors with information that would be of a significant benefit to them), the Disclosure Committee may (if it believes the harm to the Company outweighs the benefit to the market) authorize that disclosure of the material information be delayed and, if applicable, the filing of a material change report be done on a confidential basis, if and as required by applicable securities laws and stock exchange rules. In those circumstances:

- (a) **Confidential Material Change Reports** - the Disclosure Committee shall, if applicable, cause the Company to file a confidential material change report with the appropriate securities regulators together with a written explanation of the reasons why the material change report must be kept confidential, and will periodically (at least every 10 calendar days) review its decision to see if the confidential status of the material change report needs to be renewed;
- (b) **Report to the Board** - the Disclosure Committee shall promptly advise the Board of Directors of the fact that a confidential material change report was filed or renewed and distribute a copy of the confidential material change report to the Board of Directors, together with the Disclosure Committee’s



reasons for concluding that it would be unduly detrimental to Company's interests for the material information to be generally disclosed;

- (c) **Complete Confidentiality Maintained** - all persons with knowledge of confidential information must maintain complete confidentiality and must not disclose the information to any other person, except in the necessary course of business, in which case, any person informed of the confidential information must also be informed of his or her duty to keep such information confidential;
- (d) **Monitor Trading Activity** - the Disclosure Committee shall monitor market trading activity in the Company's securities, and, if applicable and desirable, in the securities of any other issuer that is affected by the undisclosed material information, in order to determine if the confidential material information is being misused; and
- (e) **Disclosure** - the Disclosure Committee shall promptly disclose the material information generally when the Disclosure Committee determines the basis for confidentiality ceases to exist.

6.5 **No Selective Disclosure**

Except as expressly permitted in accordance with Section 8.3 hereof, neither the Company nor any person to whom this Policy applies shall make selective disclosure of material information which has not been generally disclosed to the public.

If unintentional selective disclosure has been made, then the Disclosure Committee must be immediately notified. The Disclosure Committee shall immediately take all appropriate steps, which may include:

- (a) notifying the TSX immediately of the unintentional selective disclosure and determine with the TSX whether a trading halt should be instituted pending issuance of a news release;
- (b) notifying the person to whom the unintentional selective disclosure was made that such information has not been publicly disclosed and must remain confidential and that they may not trade in securities of the Company with knowledge of such information until such information is generally disclosed; and
- (c) publicly disclosing the material information by way of news release in a manner consistent with this Policy.



6.6 **Other Situations Requiring Disclosure**

The Company may be required to disclose material information generally by news release in any of the circumstances described below:

- (a) **Misuse of Material Information** - if the Company becomes aware, or has reasonable grounds to believe, that someone is trading the Company's securities with knowledge of undisclosed material information, or rumours about it (for example, if there is unusual trading activity in the Company's securities); or
- (b) **Errors in Previous Disclosure** - if the Company learns that previous disclosure contained a material error or omission at the time it was given, and the correction constitutes material information.

7. **FORWARD-LOOKING INFORMATION AND FOFI**

7.1 **General Policy**

The Company may, from time to time, give earnings guidance or provide other forward-looking information and/or FOFI (as defined below) through voluntary disclosure, provided that the disclosure conforms to the guidelines set out in Section 7.2 below.

7.2 **Forward-Looking Information**

If the Company proposes to disclose forward-looking information (other than future-oriented financial information or financial outlook (collectively, "FOFI")) in its written disclosure documents:

- (a) the Company must have a reasonable basis for the forward-looking information;
- (b) the information must be clearly identified as forward-looking;
- (c) the Company must identify all material factors or assumptions used to develop the forward-looking information;
- (d) the forward-looking information must be accompanied by language that cautions the users of the forward-looking information that actual results may vary from the forward-looking information and that identifies the material factors that may cause actual results to differ materially from those projected in the forward-looking information; and



- (e) the forward-looking information must have been approved for dissemination by at least one member of the Disclosure Committee.

If the Company proposes to disclose forward-looking information orally, the Spokesperson must make a cautionary statement that complies with Sections 7.2(a), 7.2(b), 7.2(c) and 7.2(d), and must further state that additional information about the material factors or assumptions used to develop the forward-looking information, and the material factors that may cause the actual results to differ materially from those projected in the information, is contained in a readily-available public document, and identify such document.

7.3 **FOFI**

If the Company proposes to disclose FOFI in its written disclosure documents:

- (a) the FOFI must be based on assumptions that are reasonable in the circumstances;
- (b) the FOFI must be limited to a period for which the information in the FOFI can be reasonably estimated;
- (c) use the accounting policies the Company expects to use to prepare its historical financial statements for the period covered by the FOFI;
- (d) if the document containing the FOFI is undated, the disclosure must state the date management approved the FOFI;
- (e) the disclosure must explain the purpose of the FOFI and caution readers that the information may not be appropriate for other purposes;
- (f) the FOFI must have been approved for dissemination by at least one member of the Disclosure Committee and the Audit Committee; and
- (g) once the Company has disclosed FOFI (and notwithstanding any disclaimers by the Company), the Company's practice will be to regularly assess whether previous statements of FOFI should be replaced by new information, to ensure that past disclosure of FOFI is accurately reflected in current MD&A and to update the information, if necessary, by news release, in each case, as may be required by applicable law.



8. MAINTAINING CONFIDENTIAL INFORMATION

8.1 Corporate Information

All persons to whom this Policy applies are prohibited from disclosing any confidential information about the Company that has not been generally disclosed, except in accordance with this Policy.

8.2 Third Party Information

The Company is generally required to keep and treat as confidential all information it receives from third parties such as customers, suppliers, business partners or other persons with which the Company is involved in a transaction or proposed transaction, other than in the necessary course of business. Any person to whom this Policy applies must keep this third party information strictly confidential and take the same measures with respect to the confidential information of the third party as they take with respect to confidential information of the Company.

8.3 Necessary Course of Business

Confidential information that is material undisclosed information held by persons in a special relationship with the Company may be disclosed to selected individuals if doing so is in the necessary course of business. Disclosure in the necessary course of business may include communications with those persons or entities listed on **Appendix B - Disclosure in the Necessary Course of Business**. The individual receiving the confidential information must be advised that:

- (a) the information is confidential and may not be disclosed to anyone else, other than in the necessary course of business (and then only with the prior consent of the Company); and
- (b) such individual cannot trade, or assist others to trade, in the Company's or, if applicable, a third party's securities until the confidential information is generally disclosed.

The Company will take steps to ensure the persons receiving confidential information in the necessary course of business will comply with (a) and (b) above and, in appropriate circumstances, an outside party receiving confidential information in the necessary course of business may be required to sign a confidentiality agreement.

Disclosure to market participants (including analysts), investors (including institutional investors), shareholders and the media is generally **not** considered to be in the necessary course of business. Anyone who is uncertain about whether disclosure is in the necessary course of business should consult with a member of the Disclosure Committee.



In order to prevent the inadvertent disclosure of material information which has not been generally disclosed:

- (a) documents and files containing confidential information should be kept in a safe place (and, if necessary, locked for physical files and encrypted for digital files) to which access is restricted to individuals who “need to know” that information in the necessary course of business;
- (b) confidential matters should not be discussed in places where the discussion may be overheard;
- (c) where practical, code names should be used; and
- (d) unnecessary copying of documents containing undisclosed material Information must be avoided and extra copies of documents must be promptly removed from meeting rooms and work areas at the conclusion of meetings and must be destroyed if no longer required.

9. ANALYST CONFERENCE CALLS

9.1 Analyst Conference Calls

The Company may hold analyst conference calls for quarterly and annual earnings and, to the extent practicable, major corporate developments. Such analyst conference calls must be 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. Any undisclosed material information that is to be conveyed during the analysts conference call, must be generally disclosed by way of news release before the conference call and such news release must be filed on SEDAR and posted on the Company’s website. At the beginning of the analyst conference call, a Spokesperson will provide appropriate cautionary statements concerning any forward-looking information or FOFI and, if applicable, direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties relating to the matter which is the subject of the analyst conference call.

When practical, the Spokespersons should meet in advance of all calls to discuss the statements to be made and responses to anticipated questions; if possible, such statements and responses should be scripted.

The Disclosure Committee should hold a debriefing meeting immediately after the conference call and, if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company should promptly disclose such information via news release in accordance with this Policy.



The Company shall retain a permanent record as part of the Company's corporate disclosure record in accordance with Section 15 hereof.

9.2 **Advance Notice of Analyst Conference Calls**

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

10. **COMMUNICATIONS WITH MARKET, THE MEDIA AND PARTICIPANTS (INCLUDING ANALYSTS)**

10.1 **Communication with Analysts**

Only a Spokesperson may communicate with analysts and other market participants (collectively, "**Participants**"). The Company's policy with respect to interactions with Participants are as follows:

- (a) selective disclosure must be avoided pursuant to Section 6.5;
- (b) no person to whom this Policy applies shall approve or influence proxy soliciting or conclusions of a Participant;
- (c) conversations with Participants should be limited to merely correcting factual errors, identifying omissions, or providing clarification provided that such corrections, identified omissions or clarifications are based on non-material information or material information that has been generally disclosed. No person who is subject to this Policy should express comfort with or provide guidance on an analyst's report, model, etc. In certain circumstances, non-material information may be disclosed to help an analyst complete the "mosaic" of information. Financial information such as sales and profit figures and earnings forecast should not be disclosed. All comments must contain a disclaimer advising that the opinion or conclusion was reviewed for factual accuracy only; and
- (d) no person to whom this Policy applies shall comment on a draft analyst report (except to correct the accuracy of factual information) or distribute analyst reports to persons outside the Company (other than its advisors) or otherwise publicly endorse such a report.



10.2 **Dealing with the Media**

In communicating with the media, the following procedures should be followed:

- (a) the Company shall not provide any undisclosed material information or related documents to a reporter;
- (b) Spokespersons should promptly respond to all media inquiries. Senior management or subject matter experts should be utilized in key announcements, as appropriate, to build credibility and provide more informed disclosure; and
- (c) media news conferences on financial matters are normally conducted in separate forums from investors but information disclosed in such forums should be made broadly available in all material respects.

10.3 **Quiet Periods**

In order to avoid potential selective disclosure, the Company shall institute quiet periods, which shall correspond with the Company's blackout periods (as described in Section 12.2), during which, absent unusual circumstances, the Company shall not initiate or participate in any meetings, telephone or other electronic contact (including e-mails) with market participants (including analysts), investors (including institutional investors), shareholders or the media, other than to respond to unsolicited inquiries concerning factual matters. In no event will the Company or any person subject to this Policy comment during the quiet period on the Company's current quarter's operating or expected results. During such quiet periods, the Company will not make presentations at any analyst or investor conferences, or make any other external speeches or other presentations, except with the prior consent of the Disclosure Committee.



11. WEBSITE

11.1 General Rule

The Company's website should not contain any disclosure that would, whether through website architecture, overt statement or omission, materially misrepresent the Company or its business prospects or financial status. Disclosure of material information on the website does not constitute general disclosure and is not adequate public disclosure of material information. All documents containing material information that have previously been generally disclosed, including, without limitation, all documents filed on SEDAR, or a link to those documents on SEDAR, must be included on the Company's website.

11.2 When Documents are to be Posted on the Company's Website

No disclosure documents shall be posted on the Company's website until they have been generally disclosed and filed on SEDAR. The Company's website should notify the reader that the information that is posted is accurate at the time of posting but that the Company specifically disclaims any intention or responsibility to update this information (unless required by applicable law) and it may be superseded by subsequent disclosures. All disclosure posted to the Company's website should show the date of such material when it is posted or modified.

11.3 Regular Review

The Disclosure Committee or a person designated in writing by the Disclosure Committee shall review the Company's website every quarter to ensure that disclosure on the website is accurate, complete and up-to-date. Any information that is discovered on the Company's website to be inaccurate or that contains a misstatement must be promptly removed from the Company's website and a correction posted. Any outdated information will be archived for at least 5 years, allowing the public continued access to historical information of value.

11.4 Links to Third Party Sites

Unless approved by the Disclosure Committee, the Company's website may not link to a third party website. In the event such a link is permitted, it should include a notice that advises the reader that they are leaving the Company's website and that the Company is not responsible for the contents of, or accuracy of information on, the third party site.

11.5 Analyst Reports

The Company may provide on its website a list of all (and only all) of the investment firms that provide coverage of the Company, along with relevant contact information.



The Company may not, however, provide links to those firms or the analyst reports themselves.

11.6 **Investor Relations Material**

Investor relations material shall be contained within a separate section of the Company's website and 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. All data posted to the Company's website, including text and audiovisual material, shall show the date of such material when it is posted or modified.

12. **TRADING RESTRICTIONS**

12.1 **Unlawful Trading**

- (a) **Prohibition on Trading on Inside Information.** No person to whom this Policy applies shall purchase or sell securities of the Company with knowledge of undisclosed material information. This includes instances that apparently run counter to the material information in question, such as selling shares while in possession of positive undisclosed material information.
- (b) **Trading on Third Party Information.** If the undisclosed material information concerns a transaction, or proposed transaction, between the Company and one or more third parties, no person to whom this Policy applies, or, if determined by the Disclosure Committee, no person to whom this Policy applies in possession of the material undisclosed information, shall trade in securities of such third party or third parties.

12.2 **Blackout Periods**

- (a) **No Trading During Blackout Periods.** Unless prior written approval from the Disclosure Committee is obtained, no person to whom this Policy applies may trade in securities of the Company during a blackout period.
- (b) **No Disclosure of Blackout Periods.** No person to whom this Policy applies may disclose to any third party that a special blackout period has been designated.
- (c) **Blackout Periods.** A blackout period is any time when a person to whom this Policy applies is restricted by the terms of this Policy or applicable securities laws from trading in securities of the Company. Blackout periods include the following:



- (i) **Regularly Scheduled Blackout Periods.** Regularly scheduled blackout periods apply to all persons to whom this Policy applies and shall always exist starting three weeks before the board meeting approving quarterly or year-end financial statements and ending on the date following the first full trading day after the earlier of a news release disclosing the results of the applicable financial period and the public release of the applicable interim or annual financial statements.
- (ii) **Special Blackout Periods.** Special blackout periods may be imposed by the Disclosure Committee or the Board of Directors from time to time as a result of, among other things, potential significant events involving the Company. According to the circumstances, blackouts may apply generally to all persons to whom this Policy applies or may apply to only a select group as determined by the Disclosure Committee.
- (iii) **Notification of Special Blackout Period.** The Company will use reasonable efforts to notify persons to whom this Policy applies by e-mail when a special blackout period referred to in subsection 12.2(c)(ii) is in effect. However, it is the obligation of every person to whom this Policy applies to ensure, prior to effecting a trade, that a blackout period is not in effect or that such person is not otherwise restricted from trading in securities of the Company.
- (iv) **Priority of Statutory or Regulatory Trading Restriction.** The trading prohibitions and restrictions set forth in this Policy will be superseded by any greater prohibitions or restrictions prescribed by applicable securities laws or stock exchange rules and policies.

13. INSIDER REPORTS

Applicable securities laws define certain parties as “**Reporting Insiders**”, which includes directors and executive officers. Reporting Insiders are required to prepare and file a report disclosing any direct or indirect beneficial ownership of, or control or direction over, securities of the Company and any interest in, or right or obligation associated with, a related financial instrument (as defined in applicable securities laws). This includes the granting and exercising of stock options or any other rights to acquire securities. Reporting Insiders are personally responsible for ensuring they report changes in their security holdings within the time prescribed by applicable securities laws. Assistance with filing these reports on the System for Electronic Disclosure by Insiders (“**SEDI**”) website may be obtained from a member of the Disclosure Committee or the Corporate Secretary.

14. CHAT ROOMS

No person to whom this Policy applies may participate in, host or link to internet chat rooms, bulletin boards or newsgroup discussions on matters pertaining to the Company. Persons



to whom this Policy applies are discouraged from participating in, hosting or linking to chat rooms, bulletin boards or newsgroup discussions on matters related to the Company's competitors or the industry in which the Company operates in general. All persons to whom this Policy applies should report any internet discussion about the Company to the Disclosure Committee.

15. RECORDKEEPING

The Corporate Secretary will be responsible for maintaining a file containing all public information about the Company, including disclosure documents and news releases, produced during the previous six years. The file will also contain transcripts or tape recordings of conference calls, if any, and any notes from meetings with analysts and investors during the same period.

16. RUMOURS

The Company does not, and will not, comment, affirmatively or negatively, on rumours. Spokespersons will respond consistently to those rumours by stating the following: "The Company does not comment on market rumours or speculation" and, if applicable, refer the person to the Company's public disclosure documents. If the stock exchange, IIROC or securities regulators requests that the Company make a statement in response to a market rumour, the Disclosure Committee will consider the matter and make a recommendation as to the nature and context of any response. If material information has been leaked and appears to be affecting trading activity in the Company's securities, the Disclosure Committee will take immediate steps to ensure that a full public announcement is made, which may include, if applicable, contacting the stock exchange and asking that trading in the Company's securities be halted pending the issuance of a news release.

17. CONSEQUENCES OF NON-COMPLIANCE WITH THIS POLICY

Anyone subject to this Policy who violates this Policy may face disciplinary action up to and including termination for cause and without notice. Violation of this Policy may also constitute a breach of Canadian criminal laws, applicable securities laws and stock exchange rules, including laws against tipping and insider trading, and the Company may refer any such breach to the appropriate authority. Accordingly, any violation of this Policy could lead to fines, penalties, imprisonment and liability to investors and the Company for damages.

18. DISTRIBUTION OF THIS POLICY

The Corporate Secretary will distribute a copy of this Policy to each director, officer and employee of the Company and its affiliates when such person joins the Company and whenever significant changes are made. Others will be provided either with a copy of this Policy or a summary of this Policy, at the discretion of Corporate Secretary.



19. QUERIES

If you have any questions about how this Policy should be followed in any particular case, please contact the CEO of the Company.

The Board of Directors may, from time to time, permit departures from the terms of this Policy, either prospectively or retrospectively. The terms of this Policy are not intended to give rise to civil liability on the part of the Company or its directors or officers, to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

20. REVIEW OF POLICY

The Disclosure Committee will annually review and evaluate this Policy to determine whether this Policy is effective in ensuring accurate and timely disclosure in accordance with the Company's disclosure obligations.

Last Updated: January 1, 20174.

Appendix A - Examples of Potentially Material Information

Changes in Corporate Structure

- changes in share ownership that may affect control of the Company;
- a major amalgamation, reorganization or merger; and
- take-over bids in respect of the Company's securities or securities of another company or bids by the Company for its own securities or bids by an insider of the Company for the Company's securities.

Changes in Capital Structure

- public or private sales of additional securities;
- planned repurchases or redemptions of securities;
- planned consolidations, subdivisions, stock dividends, rights offerings or offerings of warrants to buy shares, or share exchanges;
- a change in the Company's dividend payments or policies;
- possible initiation of a proxy fight; and
- material modifications to the rights of securityholders.

Changes in Financial Results

- a significant increase or decrease in expected earnings in the near future;
- unexpected changes in the financial results for any periods;
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs;
- changes in the value or composition of the Company's assets; and
- any material change in the Company's accounting policy.

Changes in Business and Operations

- any development that affects the Company's assets, business, products or markets;
- a significant change in capital investment plans or corporate objectives;
- major labour disputes or disputes with major contractors or suppliers;
- significant new contracts, products, patents or services or significant losses of contracts or business;
- changes to the Board of Directors or senior management including the departure of the Company's CEO, CFO or president (or persons in equivalent positions);
- the commencement of, or developments in, material legal proceedings or regulatory matters;
- waivers of corporate ethics and conduct rules for directors, officers and other key employees;
- any notice that reliance on a prior audit is no longer permissible;
- de-listing of the Company's securities or their movement from one quotation system or exchange to another;

- significant changes to capital investment plans or corporate objectives; and
- any other developments relating to the business and affairs of the Company that would reasonably be expected to significantly affect the market price or value of any of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

Acquisitions and Dispositions

- a significant acquisition or disposition of assets, property or joint venture interests; and
- acquisitions of other companies, including a take-over bid for, or merger with, another company.

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money in the context of the Company's business and operations;
- any mortgaging or encumbering of the Company's assets;
- defaults under debt obligations, agreements to restructure debt or planned enforcement procedures by a bank or any other creditors;
- changes in rating agency decisions; and
- significant new credit arrangements.

Appendix B - Disclosure in the Necessary Course of Business

Disclosure in the necessary course of business may include communications with those persons listed below:

- vendors, suppliers or strategic partners on issues such as research and development, sales and marketing, and supply contracts;
- directors, officers and other employees of the Company;
- lenders, legal counsel, auditors, underwriters, financial and other professional advisors to the Company;
- parties to negotiations;
- labour unions and industry associations;
- government agencies and non-governmental regulators;
- credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available);
- investors in connection with a private placement of the Company; and
- controlling shareholders of the Company, in certain limited circumstances.