POLARIS

# Advance Notice Policy

**of**

**Polaris Infrastructure Inc.**

**(the "Company")**

# DISCLOSURE POLICY

## OBJECTIVES AND SCOPE

The objective of this disclosure policy is to ensure that communications to the investing public about Polaris Infrastructure Inc. are:

- timely, factual and accurate; and
- broadly disseminated in accordance with all applicable legal and regulatory requirements.

This disclosure policy confirms in writing our 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 of the Company and its subsidiaries.

This disclosure policy extends to all employees of the Company, its board of directors and senior management and those authorized to speak on the Company's behalf. It covers disclosures in documents filed with the securities regulators and written statements made in the Company's annual and quarterly reports, news releases, letters to investors, presentations by senior management and information contained on the Company's web site and other electronic communications. It also 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.

The Board has instructed management to annually provide a copy of this policy to each of the Company's directors, officers and employees. This policy is administered and reviewed annually by the Corporate Governance Committee, along with recommendations for any required changes made to the Board.

If you have any questions regarding the contents of this disclosure policy and how it applies to you, you should contact any member of the Corporate Governance Committee.

## DISCLOSURE POLICY COMMITTEE

**Chairman of the Board, CEO and CFO** will serve as the Disclosure Policy Committee ("the **Committee**") responsible for overseeing the Company's disclosure practices and monitoring the effectiveness of, and compliance with, this policy.

The Committee will set benchmarks for a preliminary assessment of materiality and will determine when developments justify public disclosure. The Committee will meet as conditions dictate. It is essential that the Committee be kept fully apprised of all pending material Company developments in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information. If it is deemed that the information should remain confidential, the Committee will determine how that inside information will be controlled. The Committee should be sensitive to disclosure matters and should consult with legal counsel whenever appropriate to do so.

The Committee will review and make changes, if necessary or desirable, to this policy as needed to ensure compliance with changing regulatory requirements, and shall, at a minimum, review this policy at the end of each fiscal year with the assistance of legal counsel.

**PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION**

Material information is any information 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. In complying with the requirement to disclose forthwith all material information under applicable laws and/or stock exchange rules or policies, the Company should adhere to the following basic disclosure principles:

1. Material information should be publicly disclosed promptly via news release.

2. In certain circumstances, the Committee may determine that such disclosure would be unduly detrimental to the Company (for example, if release of the information would prejudice negotiations in a corporate transaction), in which case the information may be kept confidential until the Committee determines it is appropriate to disclose publicly. In such circumstances, to the extent required by law, the Committee will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential (also see "**Rumors**").

3. Disclosure should include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading).

4. Unfavorable material information should be disclosed as promptly and completely as favorable information.

5. Selective disclosure should not be engaged in. Previously undisclosed material information should not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, such information should be broadly disclosed promptly via news release.

6. Disclosure on the Company's web site alone does not constitute adequate disclosure of material information.

7. Disclosure should be corrected promptly if the Company subsequently learns that earlier disclosure by the Company contained a material error or omission at the time it was made.

**WHAT IS MATERIAL INFORMATION?**

Determining the materiality of information is an area where judgment and experience are of great value. If it is a borderline decision, the information should probably be considered material and generally released. Similarly, if Company officials have to deliberate extensively over whether information is material, they should probably err on the side of materiality and release it publicly.

Under Canadian practices, material information is any information 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.

Examples of developments that may give rise to material information include, but are not limited to, the following:

- Changes in equity ownership that may affect control of the Company.
- Changes in corporate structure such as reorganizations, mergers, amalgamations, etc.
- Take-over bids or issuer bids.
- Major corporate acquisitions or dispositions.
- Changes in capital structure.
- Borrowing or lending of a significant amount of funds.
- Public or private sale of additional securities.
- Developments affecting the Company's resources, properties or market.
- Entering into or loss of significant contracts, or other developments involving major joint venture partners.
- Firm evidence of significant increases or decreases in near-term earnings prospects.
- Significant changes in capital investment plans or corporate objectives.
- Significant changes in management.
- Material changes in accounting policy.
- Significant litigation.
- Major labor disputes or disputes with major contractors or suppliers.
- Events of default under financing or other agreements.
- Events regarding securities (e.g. call for redemptions, dividends, stock splits, etc.)

- 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.

- Events surrounding the changing of key roles within the Company (e.g., CEO, CFO, Board members)

If an external development will have or has had a direct effect on the business and affairs of the Company that both satisfies the "market impact" test for materiality and is uncharacteristic of the effect generally experienced by other public companies engaged in the same business or industry, then the development would likely be material.

**REPORTING REQUIREMENTS**

To comply with Canadian securities laws, all directors and senior officers must file an Insider Report within 10 days of the day on which the insider purchases or sells shares of the Company or is granted or exercises stock options under the Company's Share Option Plan or is granted shares under the Company's Share Bonus Plan. The Insider Report must be filed with applicable Canadian provincial securities regulators. Insiders are responsible for filing their own Insider Reports, but may contact the **Corporate Secretary** in order to obtain assistance with the preparation and filing of Insider Reports. Penalties may be levied against an insider for not complying with these reporting requirements.]

**MAINTAINING CONFIDENTIALITY**

Any director, senior manager or employee privy to material undisclosed information is prohibited from communicating such information to anyone else, except in the necessary course of business. Efforts should be made to limit access to such information to only those who need to know the information and such persons should be advised that the information is to be kept confidential.

Outside parties privy to undisclosed material information concerning the Company should be told that they must not divulge such 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 generally disclosed. Such outside parties may be required to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

In order to seek to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business, and code names should be used where appropriate.

1. Confidential matters, should wherever practicable, not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.

2. Confidential matters, should wherever practicable, not be discussed on wireless telephones or other wireless devices.

3. Confidential documents, should wherever practicable, not be read or displayed in public places, and should not be discarded where others can retrieve them.

4. Employees should ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.

5. Persons subject to this policy should not discuss confidential matters with personal friends or relatives, including spouses or partners.

**DESIGNATED SPOKESPERSONS**

The Company designates a limited number of spokespersons responsible for communication with the investment community (including analysts), security regulators or the media. The **CEO** shall be the official spokesperson for the Company and may, from time to time, designate others within the Company or outside the Company (including an investor relations firm) to speak on behalf of the Company as back-ups or to respond to specific inquiries.

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 shall be referred to the **CEO.**

**NEWS RELEASES**

Once the Committee determines that a development is material it should authorize the issuance of a news release. If the Committee determines that such development must remain confidential for the time being the appropriate confidential filings are made and control of that inside information is instituted. Should material undisclosed information inadvertently be disseminated in a selective forum, the Company should promptly issue a news release in order to generally disclose that information.

All news releases shall be pre-filed with Market Regulation Services in conformity with the TSX timely disclosure policy**.** This may lead to a trading halt, if deemed necessary by the stock exchange. If a news release announcing material information is issued outside of trading hours Market Surveillance should be notified before the market opens.

**Chairman of the Board, CEO and CFO** shall review and approve each news release prior to its issuance. In the event that a unanimous approval to release is not possible, final approval to post the release needs to have the approval be the Executive Chairman and one additional officer.

Annual and interim financial results should be publicly released promptly following the approval by, as the case may be, the audit committee or the board of directors of the financial statements.

News releases should be disseminated through an approved news wire service, for example MarketWire. News releases should be transmitted to all relevant regulatory bodies, and copies shall be sent forthwith to each director of the Company.

News releases should be posted on the Company's web site immediately after release over the news wire. The news release page of the web site should include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases or circumstances.

**EARNINGS CALL OR ANALYST CALLS**

Earnings calls or analyst calls may be held for quarterly earnings and major corporate developments, whereby discussion of key aspects is 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 should be preceded by a news release containing all relevant material information. At the beginning of the call, a Company spokesperson should provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a discussion of the risks and uncertainties.

The Company should provide advance notice of the 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 analysts, institutional investors, the media and other invitees. Any non-material supplemental information provided to participants should also be posted to the Web site for others to view. A tape recording of the conference call or an archived audio webcast on the Internet should be made available following the conference call for a reasonable period (e.g. 30 days), for anyone interested in listening to a replay.

**RUMORS**

The Company's policy is that it does not comment, affirmatively or negatively, on rumors. This also applies to rumors on the Internet. The Company's spokespersons should respond consistently to those rumors, saying, "It is our policy not to comment on market rumors or speculation". Should the stock exchange request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the stock, the Committee should consider the matter and decide whether to make a policy exception. If the rumor is true in whole or in part, the Company may promptly issue a news release disclosing the relevant material information.

**CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

Disclosure in individual or group meetings does not constitute general disclosure of information that is considered material non-public information. If the Company intends to announce material information at an analyst or investor meeting or a press conference or conference call, the announcement should be preceded by a news release.

The Company recognizes that meetings with analysts and significant investors are an important element of the Company's investor relations program. The Company may meet with analysts and investors on an individual or small group basis as needed, and should initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this disclosure policy.

The Company should provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information. The Company should not alter the materiality of information by breaking down the information into smaller, non-material components.

Spokespersons should keep notes of telephone conversations with analysts and investors and, where practicable, more than one Company representative should be present at all individual and group meetings. A debriefing should be held after such meetings and, if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company should promptly disclose such information via news release.

**REVIEWING ANALYST DRAFT REPORTS**

It is the Company's policy to permit its CEO, in his or her discretion, to review, upon request, analysts' draft research reports. If such a review occurs, the Company should review the report solely for the purpose of pointing out errors in fact based on publicly disclosed information. The Company should limit its comments in responding to such inquiries to non-material information. The Company should not confirm, or attempt to influence, an analyst's opinions or conclusions.

In order to avoid appearing to endorse a report, the Company should provide its comments orally or should attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

**DISTRIBUTING ANALYST REPORTS**

Analyst reports are proprietary products of the analyst's firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Company of the report. For these reasons, the Company should not provide analysts' reports through any means to persons outside of the Company or to employees, including posting such information on its Web site. The Company may post on its Web site a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, such a list should not include links to the analysts' or any other third party Web sites or publications.

**FORWARD-LOOKING INFORMATION**

Should the Company elect to disclose any forward-looking information ("**FLI**") in continuous disclosure documents, speeches, conference calls, etc., the following guidelines should be observed:

1. The information, if deemed material, should be disseminated via news release in accordance with this disclosure policy.

2. The Company should identify the material assumptions used in the preparation of the forward-looking information.

3. The forward-looking information should be accompanied by a statement that identifies, in reasonably specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement including, if appropriate, a sensitivity analysis to indicate the extent to which different business conditions from the underlying assumptions may affect the actual outcome.

4. The information should be accompanied by a statement that disclaims the Company's intention or obligation to update or revise the FLI, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Company may choose to issue a news release explaining the reasons for the difference. In this case, the Company should update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

The following represents the forward looking statement that will be used by Polaris Infrastructure Inc.:

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

Certain information contained in this presentation, including any information relating to the proposed transactions and Polaris Infrastructure Inc. ("PIF") and its subsidiaries and their future financial or operating performance may be deemed "forward-looking". All information in this presentation, other than statements of historical fact, that address events or developments that PIF, RPI, Polaris or Western expects to occur, are "forward-looking information". Forward-looking information is information that is not historical facts and are generally, but not always, identified by the words "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimates", "projects", "potential", "scheduled", "forecast", "budget" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking information is subject to important risk factors and uncertainties, many of which are beyond PIF, RPI, Polaris or Western's ability to control or predict. Forward-looking information is necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause PIF, RPI, Polaris or Western's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Assumptions upon which such forward-looking information is based on include that PIF, RPI, Polaris or Western will be able to satisfy the conditions of the proposed transactions, that the due diligence investigations of each party will not identify any materially adverse facts or circumstances, that the required approvals will be obtained from the shareholders of each of PIF, RPI, Polaris or Western, that all third party regulatory and governmental approvals to the transactions will be obtained and all other conditions to completion of the transactions will be satisfied or waived. Many of these assumptions are based

on factors and events that are not within the control of PIF, RPI, Polaris or Western and there is no assurance they will prove to be correct. Such factors include, without limitation: capital requirements; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and Nicaragua; discrepancies between actual and estimated production, between actual and estimated geothermal reserves, ability to extract sufficient geothermal fluid of usable quality from the resource; changes in national and local government legislation in Canada, the United States and Nicaragua or any other country in which PIF, RPI, Polaris or Western currently or may in the future carry on business; taxation; controls, regulations and political or economic developments in the countries in which PIF, RPI, Polaris or Western does or may carry on business; being able to obtain and maintain licenses, permits and rights-of-way for the operation of the geothermal projects; competition; loss of key employees; additional funding requirements; changes in project parameters as plans continue to be refined; accidents; labor disputes; defective title to property or contests over claims to properties. In addition, there are risks and hazards associated with the business of geothermal exploration and development, including environmental hazards, industrial accidents, pressures (and the risk of inadequate insurance or inability to obtain insurance, to cover these risks) as well as "Risks Factors" included in the Annual Information Form of Polaris and MD&A for Western and "Risk and Uncertainties" in the MD&A of each of PIF and Polaris, all available at www.sedar.com. Forward-looking information is not guarantees of future performance, and actual results and future events could materially differ from those anticipated in such information. All of the forward-looking information contained in this presentation is qualified by these cautionary statements. PIF, RPI, Polaris or Western expressly disclaim any intention or obligation to update or revise any forward-looking information, whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

## MANAGING EXPECTATIONS

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

If the Company has determined that it will be reporting results materially below or above what it considers to be publicly held expectations, it should disclose this information in a news release in order to enable discussion without risk of selective disclosure.

## QUIET PERIODS

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company should observe a quarterly quiet period, during which the Company should, absent unusual circumstances following consultation with counsel, not initiate or participate in any meetings or telephone contacts with analysts and investors regarding quarterly earnings or other financial information, and no earnings guidance should be provided to anyone, other than responding to unsolicited inquiries concerning factual matters. The quiet period starts the day after the end of a quarter (or fiscal year) and ends with the issuance of a news release disclosing quarterly results (or fiscal year results). Normal course communications

are acceptable during the quiet period, provided that they are limited to publicly available or non-material matters.

**DISCLOSURE RECORD**

The **Corporate Secretary, or person of equivalent title,** should maintain a file (for at least five years) containing all known material 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.

**RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS**

This disclosure policy also applies to electronic communications. Accordingly, officers and other personnel responsible for written and oral public disclosures shall also be responsible for electronic communications.

The **Corporate Secretary, or person of equivalent title** is responsible for updating the investor relations section of the Company's Web site and for monitoring all Company information placed on the Web site to seek to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

The Committee should approve all links from the Company Web site to a third party Web site. Any such links should include a notice that advises the reader that he or she is leaving the Company's Web site and that the Company is not responsible for the contents of the other site.

Investor relations material should be contained within a separate section of the Web site and should 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 or circumstances. All data posted to the Web site, including text and audiovisual material, should show the date such material was issued. The CEO should maintain a log indicating the date that material information is posted and removed from the investor relations section of the Web site. Material corporate information on the Web site should be retained for a reasonable period (e.g. two years).

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

The **Corporate Secretary, or person of equivalent title** is also responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy should be utilized in responding to electronic inquiries other than in the necessary course of business.

In order to ensure that no material undisclosed information is inadvertently disclosed, employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities. Employees who encounter a discussion pertaining to the Company should advise the CEO immediately, so the discussion may be monitored.

During an offering of securities, all materials to be posted on the Web site should, in addition to a review by the CEO, also be reviewed and approved by counsel. Among other things, disclaimers may be required.

Investor relations information on the Web site shall be clearly distinguished from marketing, promotional or other information.

General legal disclaimers approved by counsel are to be used on the Web site.

Security systems on the Web site should be reviewed periodically by the CEO.

**COMMUNICATION AND ENFORCEMENT**

This disclosure policy extends to all directors, senior management and employees of the Company, as well as authorized spokespersons. Directors and senior management, as well as employees who are or may be directly involved in disclosure decisions, should be provided with a copy of this disclosure policy and should also be educated about its importance. This disclosure policy should be circulated to all such personnel initially and whenever changes are made. Written confirmations may be required in the Committee's discretion.

Any employee who violates this disclosure policy may face disciplinary action up to and including termination of his or her employment with the Company without notice. The violation of this disclosure policy may also violate certain securities laws. 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 penalties, including fines or imprisonment.

As this is a policy, the Company may in its sole discretion from time to time permit departures from the terms hereof, either prospectively or retrospectively, and no provision of this policy is intended to give rise to civil liability to securityholders of the Company.

**LIABILITY TO INVESTORS IN THE SECONDARY MARKET**

In 2006 legislation was enacted that gives investors in the secondary market the right to sue any public company and key related people for making public misrepresentations about the company or for failing to make timely disclosure as required by law.

The legislation provides secondary market investors with limited right of action against an issuer of securities, its directors, responsible senior officers, "influential persons" (i.e., large shareholders with influence over disclosure), auditors and other responsible experts. Secondary market investors now have the right to seek limited compensation for damages suffered at a time when the issuer had made, and not corrected, public disclosure (either written or oral) that contained an untrue statement of a material fact or failed to make required material disclosure.

Investors have the right to sue whether or not they actually relied on the misrepresentations or failure to make timely disclosure.

**EFFECTIVE DATE**

This Policy was implemented by the Board on August 12, 2015.

# INSIDER TRADING POLICY

## INTRODUCTION

Polaris Infrastructure Inc. (the "**Company**") encourages all employees, officers, and directors of the Company to become shareholders of the Company on a long-term investment basis. These individuals will from time to time become aware of corporate developments or plans or other information that may affect the value of the Company's securities before these developments, plans or information is made public. Trading securities of the Company while in possession of such information before it is generally disclosed may expose an individual to criminal prosecution or civil lawsuits. Such action will also result in a lack of confidence in the market for the Company's securities, harming both the Company and its shareholders. Accordingly, the Company has established this Policy to assist its employees, consultants, contractors, officers and directors in complying with applicable securities laws in order to preserve the reputation and integrity of the Company and all persons affiliated with the Company.

## OBJECTIVE AND SCOPE

The procedures and restrictions set forth in this Policy with respect to the trading of securities by employees, officers and directors of, and consultants and contractors to, the Company (collectively, the "Insiders") present only a general framework within which the Insiders may purchase and sell securities without violating applicable securities laws. The Insiders have the ultimate responsibility for complying with applicable securities laws and should obtain additional guidance, including independent legal advice, as circumstances dictate appropriate.

The board of directors of the Company (the "**Board**") will designate one or more individual(s) from time to time as Insider Trading Policy Administrator(s) for the purpose of administering this Policy. At the date hereof, the designated Insider Trading Policy Administrator is the Chief Financial Officer of the Company (the "**CFO**"). If the CFO is not available or is not appropriate in the situation, the designated Insider Trading Policy Administrator is the Chief Executive Officer of the Company (the "**CEO**"). In addition to the foregoing, the Chair of the Board will review any proposed transactions involving directors, and evidence this review and approval in writing. The Insider Trading Policy Administrator may seek and retain accounting, legal or other expert advice, at the expense of the Company, in respect of any issue within the scope of their authority including the interpretation and application of this Policy. This Policy will be reviewed periodically by the Corporate Nominating and Governance Committee and the Board.

## APPLICATION

This Policy applies to all transactions in the Company's securities, including ordinary shares, options for shares, convertible debentures and any other securities the Company may issue from time to time, as well as derivative securities relating to its shares, whether or not issued by the Company, such as exchange traded options.

This Policy applies to all Insiders who receive or have access to material non-public information (defined below), to Related Persons (defined below), and to any person who receives material non-public information.

This Policy also applies to material non-public information, obtained in the course of employment by or association with the Company, relating to any other company with publicly traded securities, including, but not limited to, the Company's customers or suppliers.

**GENERAL POLICY**

The Company prohibits the unauthorized disclosure of any material non-public information and also prohibits any securities trading activities by any person in possession of material non-public information. To avoid even the appearance of impropriety, additional restrictions on trading the Company's securities apply to Reporting Insiders (as defined below).

**MATERIAL NON-PUBLIC INFORMATION**

Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell a security. Any information that could reasonably be expected to affect the price of the Company's securities is material. Common examples of material information are:

- proposed changes in capital structure including stock splits and stock dividends
- proposed or pending financings
- material increases or decreases in the amount outstanding of securities or indebtedness
- proposed changes in corporate structure including amalgamations or reorganizations
- proposed acquisitions of other companies including take-over bids or mergers
- material acquisitions or dispositions of assets
- material changes or developments in products or contracts which would materially affect earnings upwards or downwards
- material changes in the business of the Company
- changes in executive management or control of the Company
- bankruptcy or receivership
- changes in the Company's auditors
- the financial condition and result of operations of the Company
- indicated changes in revenues or earnings upwards or downwards of more than recent average size
- material legal proceedings
- defaults in material obligations
- the results of the submission of matters to vote of security holders
- material transactions with directors, officer or principal security holders

Both positive and negative information can be material. Because trading that receives scrutiny will be evaluated after the fact with the benefit of hindsight, questions concerning the materiality

of particular information should be resolved in favour of materiality, and trading should be avoided.

Non-public information is information that is not generally known or available to the public. Information is considered to be available to the public only when it has been released broadly to the marketplace (such as by a press release or by filings with the securities regulatory authorities) and the investing public has had time to absorb the information fully. As a general rule, information is considered non-public until the second full trading day after the information is released.

**RELATED PERSONS AND REPORTING ISSUERS**

For purposes of this Policy, a "**Related Person**" includes: (i) the Insider's spouse, minor children and anyone else living in their household or who does not live in their household but whose transactions in the Company's securities are directed by the Insider or are subject to the Insider's influence or control; (ii) partnerships in which the Insider is a general partner; (iii) trusts of which the Insider is a trustee; and (iv) estates of which the Insider is an executor. Although an Insider's parent or sibling may not be considered a Related Person (unless living in the same household), a parent or sibling may be a "**tippee**" for securities laws purposes. See below for a discussion on the prohibition on "**tipping**."

All directors, officers and certain designated employees of the Company as listed in Schedule A to this are considered to be "**Reporting Insiders**" and, in addition to the terms and conditions of this Policy, are subject to the reporting obligations stipulated in applicable securities laws.

**CONFIDENTIALITY OF MATERIAL NON-PUBLIC INFORMATION**

Unauthorized disclosure of material non-public information about the Company is prohibited. For further details, please refer to the Company's "**Disclosure Policy**".

**TRADING ON MATERIAL NON-PUBLIC INFORMATION**

No Insider or any of their respective Related Persons, shall directly or indirectly engage in any transaction involving a purchase or sale of the Company's securities, during any period commencing with the date that he or she possesses material non-public information of the Company and ending at the close of business on the second trading day following public disclosure of that information. "**Trading day**" shall mean a day on which the Toronto Stock Exchange is open for trading.

For greater certainty, examples of prohibited transactions would include, but are not limited to, the following: (a) buying or selling the Company's securities; (b) buying or selling securities whose price or value may reasonably be expected to be affected by changes in the price of the Company's securities; (c) exercising Company stock options; (d) buying or selling securities of another company in which the Company proposes to invest or where the individual, in the course of employment with the Company, becomes aware of material non-public information concerning that other company.

## PROHIBITION AGAINST TIPPING

No Insider shall disclose ("**tip**") material non-public information to any other person (including Related Persons) where such information may be used by such person to his or her benefit by trading in the securities of companies to which such information relates, nor shall such Insider or Related Person make recommendations or express opinions on the basis of material non-public information as to trading in securities of the Company or other companies.

A person (commonly referred to as a "**tippee**") who receives such material non-public information inherits an Insider's duties with respect to such information and accordingly, is prohibited from trading on the material non-public information and from passing such information on to any other party. A person who has passed along such material non-public information (whether as an Insider or a tippee) may be liable if that third-party trades on material non-public information.

## NO SPECULATING, SHORT-SELLING, PUTS AND CALLS

Trading in securities of the Company by Insiders with access to material non-public information may give rise to actual or perceived contraventions of applicable securities laws and/or inappropriate conflicts of interest. To assist Insiders in undertaking trades of securities that do not result in such actual or perceived contraventions or conflicts, Insiders are prohibited from, directly or indirectly, undertaking any of the following activity:

- speculating in securities of the Company, which may include buying with the intention of quickly reselling such securities, or selling securities of the Company with the intention of quickly buying such securities (other than in connection with the acquisition and sale of shares issued under the Company's Stock Option Plan or any other Company benefit plan or arrangement);
- short selling a security of the Company or any other arrangement that results in a gain only if the value of the Company's securities declines in the future;
- selling a "call option" giving the holder an option to purchase securities of the Company; and
- buying a "put option" giving the holder an option to sell securities of the Company.

## RESTRICTIONS ON TRADING OF THE COMPANY SECURITIES

### Scheduled Black-out Periods

To avoid even the appearance of trading on the basis of material non-public information, Insiders shall not trade in securities of the Company during the period commencing on the day after the end of a quarter (or fiscal year) and ending at the opening of the market on the second trading day on the Toronto Stock Exchange following the date on which a press release has been issued in respect of the Company's interim or annual financial results.

**Extraordinary Black-out Periods**

Additional extraordinary black-out periods may be prescribed from time to time by the Insider Trading Policy Administrator at any time at which it is determined there may be material non-public information concerning the Company that makes it inappropriate for individuals subject to the pre-clearance procedures outlined below to be trading. In such circumstances, the Insider Trading Policy Administrator will issue a notice instructing those individuals not to trade in securities of the Company until further notice. The fact that an extraordinary black-out period has been prescribed is itself material non-public information that should not be disclosed to or discussed with anyone outside the Company.

The failure of the Insider Trading Policy Administrator to notify an individual not to trade in securities of the Company until further notice will not relieve that individual of the obligation not to trade while they are aware of material non-public information.

Furthermore, the absence of a designated blackout period does not detract from the obligations set out in this Policy. All Insiders with knowledge of material non-public information should anticipate that trading will be blacked out while the Company determines the appropriate manner for public disclosure of such information, and that no trading in the Company's securities is permitted until two business days following the public release of such material non-public information.

**Trading Pre-Clearance for Reporting Issuers**

To assist Reporting Insiders in avoiding undertaking any trade in securities of the Company that may contravene or be perceived to contravene applicable security laws, Reporting Issuers are required to notify the Insider Trading Policy Administrator of any proposed trade of securities of the Company.

Such notification shall be made by providing the Insider Trading Policy Administrator with a National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI) Form 55-102F2 or 55-102F6 (an "**Insider Report**"). **No such individual shall undertake a trade in securities of the Company until notified in writing by the Insider Trading Policy Administrator that the individual may proceed with the trade referred to in the Insider Report.** The Insider Trading Policy Administrator will attempt to notify any individual that has provided an Insider Report within one business day as to whether the Company reasonably anticipates that any proposed trade will contravene applicable securities laws and/or this Policy, and if so, that the proposed trade may not be undertaken. Notwithstanding the above, if an individual that has provided an Insider Report has not received a response from the Insider Trading Policy Administrator, the individual may not proceed with such trade. Individuals are reminded that they may not trade in securities of the Company if they have knowledge of material non-public information, whether or not the Insider Trading Policy Administrator has provided any notification to the individual in respect of a proposed trade.

For the avoidance of doubt, providing the Insider Trading Policy Administrator with the Insider Report does not satisfy the filing requirements discussed under the "Reporting Requirements" section below.

**Long Term Compensation Awards**

At specific times, the Board may award long term compensation under the Company's Stock Option Plan, or by other means. Under no circumstances will long term compensation awards related to the Company's securities be made while a black-out period is in effect. In the event that options or other security related long-term compensation expire during a black-out period, such expiry date will be extended to the end of the regularly scheduled Insider trading window.

**Exception to Trading Restriction**

Trading by directors, officers or employees during black-out periods may be permitted in exceptional circumstances with the prior approval of the Insider Trading Policy Administrator, provided that the individual is not in possession of material non-public information. Exceptional circumstances may, without limitation, arise where the individual is subject to a pressing financial commitment that cannot be satisfied other than by the sale of securities of the Company, or where the timing of the trade is important for tax planning purposes.

**REPORTING REQUIREMENTS**

Under securities legislation, subject to certain exceptions, Reporting Insiders of the Company are required to file initial insider trading reports within ten days after becoming a Reporting Insider electronically through SEDI at www.sedi.ca. It is the responsibility of such Reporting Insider to file an initial insider trading report within the prescribed time period.

Reporting Insiders are further required, subject to certain exceptions, to file an insider trading report on SEDI within five (5) days of a change in the: (i) direct or indirect beneficial ownership of, or control over, securities of the Company (including the grant of options, warrants or other convertible or exchangeable securities of the Company); or (ii) any interest in, or right or obligation associated with, a related financial instrument of the Company (i.e. an agreement, arrangement or understanding, the effect of which is to alter, directly or indirectly, the insider's economic interest in a security of the Company, or its economic exposure to the Company).

Furthermore, any Reporting Insider who exercises an option, warrant or other convertible or exchangeable security must file within five (5) days of such exercise, a separate insider trading report disclosing the change in the Reporting Insider's beneficial ownership of, or control or direction over, whether direct or indirect, each of the option, warrant or other convertible or exchangeable security, and the ordinary shares or other underlying securities.

If a Reporting Insider enters into, materially amends, or terminates an agreement, arrangement or understanding which: (i) has the effect of altering, directly or indirectly, the Reporting Insider's economic exposure to the Company; (ii) the agreement, arrangement or understanding involves, directly or indirectly, a security or related financial instrument of the Company; and (iii) the Reporting Insider is not otherwise required to file an insider trading report, the Reporting Insider must, within five (5) days of such event, file an insider trading report in respect of such event.

## ENFORCEMENT AND LIABILITY

All directors, officers, employees and consultants of the Company will be provided with access to this Policy and be required to acknowledge that they have read this Policy and agree to abide by its terms. It is a condition of their engagement, appointment or employment that each of these individuals at all times abide by the standards, requirement and procedures set out in this Policy unless a written authorization to proceed otherwise is received from the Insider Trading Policy Administrator(s). Any such individual who violates this Policy may face disciplinary action up to and include termination of his or her engagement, employment or appointment or appointment with the Company without notice. The violation of this Policy may also violate certain security laws.

Insiders may be subject to penalties of up to the greater of (a) $5 million and (b) triple any profit earned and imprisonment for engaging in transactions in the Company's securities at a time when they have knowledge of material non-public information about the Company.

Insiders may also be liable for improper transactions by any person to whom they have disclosed material non-public information on the Company or to whom they have made recommendations or expressed opinions on the basis of such information. The various provincial securities commissions have imposed large penalties even when the disclosing person did not profit from the trading. The various provincial commissions and the stock exchanges use sophisticated electronic surveillance techniques to detect insider trading.

## EFFECTIVE DATE

This Policy was implemented by the Board on August 12, 2015.