

CORPORATE DISCLOSURE POLICY

Introduction

The Corporation is committed to providing timely, accurate and balanced disclosure of material information about the Corporation and its subsidiaries and their respective businesses, operations, assets and liabilities and commitments, on a consolidated basis, consistent with statutory and regulatory requirements.

A fundamental principle of securities legislation is that everyone investing in securities should have equal access to information that may affect their decision as to whether to buy or sell securities. Directors, officers, employees and contractors of a corporation sometimes acquire knowledge of material information concerning the business and affairs of the corporation (or a related corporation) which has not yet been disclosed to the public. If that is the case, they have an unfair advantage in buying or selling securities because the seller or buyer on the other side of the transaction may have made a different investment decision had they been aware of that information.

Similarly, if such a person informs another person of undisclosed material information, and such person buys or sells securities on the basis of that information, the seller or buyer on the other side of the transaction is, once again, at a disadvantage.

Certain securities laws in Canada have been enacted so as to prevent and deter such inequitable trading in securities by providing that:

1. corporations whose shares trade publicly must promptly disclose material information relating to the corporation;
2. employees, contractors, directors, officers and persons receiving undisclosed material information are prohibited from buying or selling securities of the corporation while in possession of such material information and prior to dissemination of such information to the public;
3. employees, contractors, directors and officers are prohibited from disclosing undisclosed material information relating to the corporation to third parties, other than when it is necessary to do so in the course of business of the corporation; and
4. significant shareholders, officers, directors and other insiders must report their trades in securities of the corporation.

In addition, securities laws in several Canadian provinces create a cause of action for investors in the secondary market against corporations and their directors and officers with respect to misleading, insufficient or late disclosure of material information.

The Corporation has formulated this policy to assist the Corporation and its employees, contractors, directors and officers in complying with the foregoing statutory and regulatory requirements. The purpose of this policy is to promote compliance with these requirements by establishing procedures and policies for timely and accurate corporate disclosure, maintaining confidentiality of material information relating to the Corporation and trading by employees, contractors, directors and officers of the Corporation in securities of the Corporation.

CORPORATE DISCLOSURE POLICY

This policy extends to all employees, contractors, directors and officers of the Corporation and any other persons authorized to speak on the Corporation's behalf and covers disclosures of material information about the Corporation in all mediums including, without limitation, documents filed with the securities commissions and stock exchanges, written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders, speeches by management or employees, information contained on the Corporation's website and other electronic communications and public verbal statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as press conferences and conference calls. New directors, officers, employees and contractors will be provided with a copy of this policy.

The Chief Executive Officer or the Chief Financial Officer of the Corporation will review this policy on an annual basis and recommend to the board of directors of the Corporation (the "**Board of Directors**") updating this policy, if necessary.

No public disclosure of any material information in respect of the Corporation is to be made by any employee, contractor, officer or director of the Corporation, whether by way of news release, public oral statements or filings with the securities regulatory authorities or otherwise, EXCEPT in strict compliance with this policy.

Material Information

Securities laws and this policy make frequent reference to material information. In this policy, *material information* means any information relating to the business, operations, capital and affairs of the Corporation that, when released, would have, or would reasonably be expected to have, a significant effect on the market price or value of any of the Corporation's securities (or the securities of other companies with whom the Corporation may be conducting confidential negotiations). Material information consists of both material facts and material changes relating to the Corporation's business, operations, capital and affairs and includes developments in the Corporation's business, operations, capital and affairs. The decision as to whether a fact or change constitutes a material fact or material change is a question of business judgment. Examples of some information which may be material information include but are not limited to:

Changes in Corporate Structure

- changes in share ownership that may affect control of the Corporation
- a significant amalgamation, reorganization or merger
- takeover bids in respect of the Corporation's securities or securities of another company or bids by the Corporation for its own securities

Changes in Capital Structure

- public or private sales of additional securities
- planned repurchases or redemptions of securities

CORPORATE DISCLOSURE POLICY

- planned consolidations, subdivisions, stock dividends, rights offerings or share exchanges
- changes in the Corporation's dividend payments or policies
- possible initiation of a proxy fight
- material modifications to the rights of security holders

Changes in Financial Results

- a significant change in expected earnings in the near future, such as in the next fiscal quarter
- 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 Corporation's assets
- any material change in the Corporation's accounting policy

Changes in Business and Operations

- any development that affects the Corporation's resources, technology, 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
- significant discoveries
- changes to the Board of Directors or senior management
- 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

CORPORATE DISCLOSURE POLICY

- de-listing of the Corporation's securities or their movement from one quotation system or exchange to another

Acquisitions and Dispositions

- a significant acquisition or disposition of assets, property or joint venture interest
- 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 Corporation's business and operations
- any mortgaging or encumbering of the Corporation'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
- significant new credit arrangements

The Chief Executive Officer or the Chief Financial Officer will monitor developments and issues within the Corporation that may necessitate disclosure to the public. Whenever questions arise about whether information constitutes material non-public information, the Chief Executive Officer or the Chief Financial Officer will call a meeting of the disclosure committee of the Corporation (as such committee is described in Tab 11, the "**Disclosure Committee**") if he/she believes it is appropriate. The Chief Executive Officer or the Chief Financial Officer may elect to consult with outside legal counsel, auditors or other advisors if necessary. The Chief Executive Officer or the Chief Financial Officer will then ensure all material information is released publicly in accordance with the procedures outlined in this policy.

Any director, officer, employee or contractor shall alert a member of the Disclosure Committee if they become aware of a development that may be material if they do not believe the development will otherwise be communicated to the Disclosure Committee. It is essential that the Disclosure Committee be fully apprised of all material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential and, if so, how that material information will be controlled so as to ensure its confidentiality. If a director, officer, employee or contractor does not believe that the information is being dealt with as required by this policy, he or she shall alert the Disclosure Committee or the Chairman of the Board of Directors.

Policy on Disclosure of Material Information

CORPORATE DISCLOSURE POLICY

1. Responsibility for Disclosure. The Board of Directors has the ultimate responsibility for overseeing the Corporation's disclosure controls, procedures and policies. To assist them in this effort, a Disclosure Committee has been formed. In particular, the Disclosure Committee shall be responsible to:
 - (a) Determine when events, developments, changes or other facts constitute material information on a material change in the affairs of the Corporation. In making such determination, the Disclosure Committee will assess the impact of any such event, development or change on:
 - (i) the financial statements and overall business of the Corporation;
 - (ii) the reputation and operations of the Corporation;
 - (iii) the strategic direction of the Corporation; and
 - (iv) the market price or value of any of the Corporation's securities.
 - (b) Review and, as necessary, help revise the Corporation's controls and other procedures (the "**Disclosure Controls and Procedures**") to ensure that:
 - (i) information required by the Corporation to be disclosed to securities regulators and stock exchanges (the "**Regulators**"), and other written and oral information that the Corporation will disclose to the public is recorded, processed, summarized and reported accurately and on a timely basis; and
 - (ii) such information is accumulated and communicated to management, including the Committee, as appropriate to allow timely decisions regarding required disclosure.
 - (c) Assist in documenting, and monitoring the integrity and evaluating the effectiveness of the Disclosure Controls and Procedures, where appropriate.
 - (d) Review and supervise the preparation of the Corporation's:
 - (i) Annual Information Form, Proxy Circular, Financial Statements and any annual report or other information filed with the Regulators (collectively, the "**Reports**");
 - (ii) press releases containing financial information, earnings guidance, forward-looking statements and information about operations;
 - (iii) correspondence broadly disseminated to shareholders (this item (iii), together with items (i) and (ii) above are collectively referred to as, the "**Disclosure Statements**"); and
 - (iv) other relevant written and oral communications or presentations.

CORPORATE DISCLOSURE POLICY

- (e) Discuss with senior management information pertaining to the Committee's responsibilities and proceedings, including:
 - (i) the preparation of the Disclosure Statements; and
 - (ii) the evaluation of the effectiveness of the Disclosure Controls and Procedures.
- (f) Maintenance of a record of the Disclosure Statements of the Corporation.
- (g) Review risk factors, underlying assumptions and forward looking statement language for written and oral communications which contain forward looking information and review that there is a reasonable basis for any conclusions, forecasts or projections contained in such information.
- (h) Review and approve disclosure of information displayed on the Corporation's website.

The Disclosure Committee will meet regularly to carry out its responsibilities. The Disclosure Committee shall initially consist of the Chief Executive Officer and the Chief Financial Officer.

2. Prompt Disclosure. The Corporation shall make prompt disclosure of all material information to stock exchanges, securities commissions and to the public in accordance with its obligations under applicable securities laws and stock exchange rules. Generally speaking, all material information shall be distributed by news release and posted on SEDAR.

Once a determination that material information exists has been made in accordance with this policy, the Chief Executive Officer or the Chief Financial Officer will authorize the issuance of a news release, unless such material information must remain confidential for a certain time.

Should non-public material information be disclosed in a selective forum, a news release will be issued immediately in order to fully publicly disclose that information. **Any director, officer, contractor or employee of the Corporation who becomes aware of disclosure of any undisclosed material information is required to report such disclosure to a member of the Disclosure Committee immediately.**

News releases will be disseminated through a newswire service that provides national simultaneous disclosure and guarantees that the full text of the release will be carried. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major national financial media and local media in areas where headquarters and operations are located.

Regardless of when an announcement involving material information is released, the market surveillance department of the exchange upon which securities of the Corporation are listed must be advised of the content of the release.

3. Principles of Disclosure of Material Information. In complying with the requirement under applicable laws and stock exchange rules to disclose material information forthwith upon the information becoming known to management or, in the case of information previously known, forthwith upon it becoming apparent that the information is material, the content of such

CORPORATE DISCLOSURE POLICY

disclosure shall be determined by the Chief Executive Officer or the Chief Financial Officer. In making such determination, the following basic disclosure guidelines will be observed:

- (a) Material information will be publicly disclosed immediately unless the Disclosure Committee has determined that there is a reasonable basis for believing that such disclosure would be detrimental to the interests of the Corporation. Examples of instances in which disclosure might be detrimental to the Corporation's interests are:
 - (i) release of the information would prejudice the ability of the Corporation to pursue specific or limited objectives or to complete a transaction or series of transactions that are under way;
 - (ii) disclosure of the information would provide competitors with confidential information that would be of significant benefit to them; or
 - (iii) disclosure of information regarding the status of ongoing negotiations would prejudice the successful completion of those negotiations.

If it is determined that the disclosure of material information will be delayed because such disclosure would be detrimental to the interests of the Corporation, complete confidentiality of the material information must be maintained until the Chief Executive Officer or the Chief Financial Officer determines that it is appropriate to publicly disclose such information or that the Corporation has a legal obligation to do so.

- (b) Announcements of any material information should be factual, balanced and non-speculative. Unfavourable material information must be disclosed as promptly and completely as favourable material information.
- (c) Disclosure must include all relevant information to ensure that no aspect of the disclosure is misleading.
- (d) Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person, it must be generally disclosed immediately by a news release.
- (e) Disclosure must be updated if earlier disclosure has become misleading as a result of intervening events.
- (f) Disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure by the Corporation contained a material error at the time that it was originally distributed. Any director, officer, employee or contractor of the Corporation who believes that any public disclosure of the Corporation, including any documents released by the Corporation or any public oral statements, contains a misrepresentation shall promptly notify a member of the Disclosure Committee of such misrepresentation, and such member of the Disclosure Committee shall inform the Board of Directors and take appropriate steps to correct such misrepresentation promptly, and in any event, within two trading days of learning of such error.

CORPORATE DISCLOSURE POLICY

The member(s) of the Disclosure Committee shall always conduct a reasonable investigation of the subject matter of the disclosure prior to any disclosure being made, including ascertaining all relevant facts from officers, employees and others whose duties would in the ordinary course give them knowledge of such facts.

4. Designated Corporate Spokespersons. The Corporation designates and authorizes a limited number of spokespersons responsible for communication with the media, investors, analysts, stock exchanges and securities regulatory authorities or for the making of any other statement of material information with respect to the Corporation in circumstances where a reasonable person would believe that the information will become generally disclosed ("**public oral statements**"). The Chief Executive Officer and the Chief Financial Officer are the authorized spokespersons for the Corporation (the "**Designated Corporate Spokespersons**"). All other directors, officers, employees and contractors are prohibited from publicly communicating information about the Corporation under any circumstances (unless specifically authorized by the Chief Executive Officer or the Chief Financial Officer) and if approached should refer the enquiry to one of such designated officers. For greater certainty, all public speaking engagements by directors, officers, employees or contractors in connection with the Corporation must be pre-authorized by the Disclosure Committee.

To the extent possible, any presentation, speech or other public oral statement shall be fully scripted prior to the making thereof and the Disclosure Committee shall be provided with an opportunity to review the information to be disclosed to ensure such information does not include any undisclosed material information.

Where possible, more than one representative of the Corporation will be present at all presentations where public oral statements may be made, including individual and group meetings with analysts, media and investors and quarterly conference calls, and every effort shall be made to retain electronic or other records of any public oral statements made in respect of the Corporation.

A review will be conducted after all such presentations to ensure that selective disclosure of previously non-public material information has not been made. If selective disclosure of non-public material information has been made, such information shall be immediately disclosed by a widely disseminated news release in accordance with this policy.

5. Electronic Media and the Website. Officers responsible for written public disclosures shall also be responsible for electronic communications. The Chief Financial Officer together with the Disclosure Committee is responsible for ensuring that the Corporation's website is current and up to date and for monitoring all material information placed on the website to ensure that it is not misleading. Material information is misleading if it is incomplete, incorrect or omits a fact so as to make another statement misleading. Information may also be misleading if it is out of date. Any changes in material information must be updated immediately.

The Corporation's website should include all publicly disclosed material information and such other investor relations information as may be determined appropriate; provided that, no document relating to an offering of securities shall be posted on the Corporation's website without first consulting legal counsel. Information should be posted to the Corporation's website as soon as reasonably possible following its dissemination. Disclosure of material non-public information

CORPORATE DISCLOSURE POLICY

on the Corporation's website alone does not constitute adequate disclosure. Therefore, any disclosures of material information on the Corporation's website will be in conjunction with a news release.

The Chief Financial Officer shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this policy shall be utilized in responding to electronic inquiries.

Employees, contractors, directors and officers are prohibited from participating in internet chat room or news group discussions on matters pertaining to the Corporation's activities or its securities or posting any such information on electronic bulletin boards or other electronic forums. Employees, contractors, directors and officers who encounter a discussion pertaining to the Corporation or its securities should advise a member of the Disclosure Committee immediately.

6. Release of Forward-Looking Information. Forward-looking information means all disclosure regarding possible events, conditions or results that is based on assumptions about future economic conditions and courses of action and includes financial outlooks and future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented as either a forecast or a projection. The Corporation will not release earnings or cash-flow projections (other than cash-flow projections resulting from independently prepared engineering reserve reports). It may, from time to time, release forward looking information with respect to significant developments and projected demand or market potential, to enable the investment community to better evaluate the Corporation and its operations. The Corporation will not disclose significant data, and in particular financial information which would be material information, to analysts or investors unless such data or information has been publicly disseminated.

Forward-looking information provided in a disclosure document must contain, proximate to that information: (a) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; (b) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and (c) the Corporation's policy for updating forward-looking information. In the case of a public oral forward-looking statement, the person making such statement shall: (a) make a cautionary statement that the oral statement contains forward-looking information; and (b) state that (i) actual results could differ materially from a conclusion, forecast or projection in the forward-looking information, (ii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information, and (iii) additional information about the material factors that could cause actual results to differ materially from the conclusion or making a forecast or projection as reflected in the forward-looking information.

All disseminations of forward-looking information will be reviewed and approved by the Disclosure Committee.

7. Contacts with Analysts, Media and Investors. The Corporation recognizes that analysts and news media are important for disseminating corporate information to the investing public and play a

CORPORATE DISCLOSURE POLICY

key role in interpreting and clarifying existing public data, as well as providing investors with background information and details that cannot practically be put in public documents. Only the Designated Corporate Spokespersons may meet with analysts, media and investors on an individual or small group basis and will initiate contacts or respond to analyst, media and investor calls in a timely, consistent and accurate fashion in accordance with this policy. The Corporation will provide the same information that has been provided to analysts to individual investors or reporters who request it. Where practicable, analyst conference calls should be held in an open manner to allow all interested parties access to such calls.

It is recognized that disclosure of non-public material information to analysts, investors or the media does not constitute adequate disclosure for the purposes of applicable securities laws. Accordingly, if material information is to be announced at an analyst or shareholder meeting or press conference, its announcement must be preceded by a widely disseminated public announcement of such information by news release.

8. Quiet Periods. In order to avoid the potential perception or appearance of selective disclosure, the Corporation will observe a quarterly quiet period (each, a "**Quiet Period**"), during which times no meetings or telephone contacts with analysts and investors will be initiated and no earnings guidance provided on current period earnings estimates and financial assumptions, other than to cite or refer to existing public information or guidance, and shall only respond to unsolicited inquiries concerning factual matters. Quiet Periods for all directors, officers, employees and contractors of the Corporation will commence: (i) on February 15th of each year in respect of the year-end results, and (ii) two weeks prior to a meeting of the Board of Directors to approve any quarterly financial statements, and in each case ends when a news release disclosing the annual or quarterly results is issued. The Corporation may participate in investing meetings or conferences organized by third parties during a Quiet Period so long as no material non-public information is disclosed as a result.
9. Reviewing Analyst Draft Reports and Models. The Corporation's policy is not to review analysts' draft research reports or models to confirm, correct or clarify information provided therein. Analyst's reports are proprietary information belonging to the analyst's firm. Re-circulating an analyst's report may be viewed as an endorsement of the report and, therefore, analyst's reports are not to be included in investor packages of the Corporation. If an analyst's report is provided to any employees of the Corporation or persons outside of the Corporation, every effort will be made to ensure that it is evident who authored such report.
10. Rumours. The Corporation does not comment on rumours, this includes rumors on the internet. Provided it is clear that the Corporation and related entities are not the source of the market rumour, the Designated Corporate Spokespersons will consistently respond to market rumours with a statement to the effect that "**it is our policy not to comment on market rumours or speculation.**" Should the stock exchange on which the Corporation's securities are traded request that the Corporation issue a clarifying statement where trading in securities of the Corporation appears to be heavily influenced by market rumours, the Disclosure Committee will consider the matter and decide on an appropriate response. If market rumours are correct in whole or in part, immediate disclosure of the relevant material information must be made by widely disseminated news release.

CORPORATE DISCLOSURE POLICY

11. Disclosure Record. The Corporation will maintain a file containing all material information made public by the Corporation, including continuous disclosure documents, offering documents, news releases, research reports, press reports, transcripts or tape recordings or other electronic recordings of conference calls and debriefing notes.

The minimum retention period for material information shall be five years following the date the information was made public.

12. Expert Reports and Opinions. Prior to using any report, statement or opinion of an expert in any disclosure document of the Corporation or in any public oral statement made by a Designated Corporate Spokesperson, the written consent of such expert shall be obtained authorizing such use.