

ONCOLYTICS BIOTECH INC.
Corporate Disclosure Policy

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CORPORATE DISCLOSURE POLICY

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ONCOLYTICS BIOTECH INC.
CORPORATE DISCLOSURE POLICY

1. General Statement of Policy

(a) *Purpose*

The purpose of this Corporate Disclosure Policy is to:

- (i) Ensure communications to the investing public about Oncolytics Biotech Inc. (the "Corporation") are made and broadly disseminated in accordance with all applicable legal and regulatory requirements;
- (ii) Assist the Corporation and its Board of Directors, officers, employees and other representatives in the discharge of the Corporation's timely disclosure obligations and maintaining the confidentiality of corporate information;
- (iii) Prevent improper trading on the basis of material information that has not been generally disclosed;
- (iv) Raise awareness among directors, officers, employees and other representatives of the Corporation of the need for timely, orderly, consistent, and credible dissemination of information, consistent with the legal and regulatory requirements, to enable orderly behavior in the markets; and
- (v) Ensure material non-public information is not provided to a selective audience except under appropriate Confidentiality Agreements.

(b) *Application of Policy*

This policy applies to the conduct of directors, officers, other insiders of the Corporation, contractors, consultants, secondees and employees of the Corporation. It applies to all methods that are utilized by the Corporation in communicating with the investing public, including, without limitation, written materials, speeches, conference calls, webcasts, press conferences and other communications with media and investors, internet web pages and interviews.

2. Policy Administration

(a) *Disclosure Policy Committee*

Committee Objectives

The Corporation has established a Disclosure Policy Committee which has the following responsibilities:

- (i) oversee the Corporation's disclosure practices;
- (ii) maintain an awareness and understanding of disclosure rules and guidelines;
- (iii) determine the appropriateness and timing for public release of material information, other publicly disseminated materials and conduct an assessment of materiality of information;
- (iv) assess the accuracy and appropriateness of all continuous disclosure documents;
- (v) implement procedures so that this Policy is brought to the attention of all persons to whom it applies and monitor for compliance;
- (vi) oversee training of staff concerning this Policy; and
- (vii) review this Policy with the board at least annually and update in conjunction with Policies and Mandates pertaining to the Audit Committee, Governance and Nominating Committee, and Compensation Committee to ensure compliance with prevailing rules and guidelines.

Schedule "A" contains a summary of the Corporation's reporting obligations and an explanation of the concept of materiality to be assessed by the Disclosure Policy Committee.

Disclosure Policy Committee Membership

The Disclosure Policy Committee is comprised of such officers and employees as are selected from time to time by the President and Chief Executive Officer, subject to the required inclusion of:

The President and Chief Executive Officer, the Chief Financial Officer and the Chief Scientific Officer

The President and Chief Executive Officer shall chair the Disclosure Policy Committee and shall be responsible for the application of this Policy. The Chief Financial Officer shall be responsible for ensuring that all members of the Disclosure Policy Committee are trained and fully knowledgeable of their obligations under this Policy. A quorum for all meetings of the Disclosure Policy Committee shall be two members, one of which shall be the President and Chief Executive Officer. An exception to the quorum requirement is acceptable for "non-material disclosures" (such as continued reporting to a stock exchange) if reviewed by one or more of the committee members and, if deemed necessary, by Counsel to the Corporation.

The chair of the Disclosure Policy Committee shall appoint the Controller or, in his absence, one of the committee members to act as its secretary who shall

ensure that appropriate records of meetings of the Committee and forms of documents approved by the Committee are retained by the Corporation.

Operation of the Disclosure Policy Committee

Under the direction of the President and Chief Executive Officer, the Director, Communications will generally be responsible for drafting news releases, circulating draft releases for input from committee members and serving as the initial contact from the public. News Releases may also be drafted by investor relations consultants, Corporate Executives or committee members depending upon the nature of the information to be included in the news release. The Director, Communications will direct inquiries to the most appropriate Authorized Spokesperson in accordance with the internal policies and procedures developed from time to time.

The Committee will review and approve prior to public release:

- all required "timely disclosure", i.e.:
 - all news releases; and
 - all material change reports;
- all required periodic or "continuous disclosure", i.e.:
 - annual filings;
 - Annual Information Form ("AIF")
 - annual MD&A
 - annual financial statements
 - Interim filings;
 - Interim MD&A
 - Interim financial statements
 - Information Circulars;
 - Business Acquisition Reports ("BARs"); and
- all significant supplementary disclosure, e.g. Annual Reports, filed by the Corporation.

The Committee will recommend the approved forms of all such documents to:

- in respect of news release regarding issues in the normal course of business, to the President and Chief Executive Officer; and
- in respect of financial statements, annual and interim MD&A and annual and interim earnings new releases, the Audit Committee and the Board of Directors; and
- in respect of disclosure of non-financial material changes, to the President and Chief Executive Officer.

Any unresolved disputes at the Disclosure Policy Committee level will be adjudicated by the President and Chief Executive Officer. The Committee may refer continuous disclosure documents to external legal counsel or accounting advisors for their review and advice on an as required basis.

(b) *Authorized Spokespersons*

Primary authorized spokespersons ("Authorized Spokespersons") responsible for communicating Corporation information to the investing public include:

- President and Chief Executive Officer;
- Chief Financial Officer;
- Chief Scientific Officer;
- Chief Medical Officer;
- Director, Communications;

These Authorized Spokespersons may, from time to time, designate others to speak on behalf of the Corporation or to respond to specific inquiries, where doing so facilitates effective communication with the investing public.

Employees other than Authorized Spokespersons should not respond to requests for Corporation information from the investing public unless specifically asked to do so by an Authorized Spokespersons. Any such requests should be referred the Chief Financial Officer for further handling or direction to an Authorized Spokesperson.

3. Procedures to be Followed Prior to Public Release of Material Information

(a) *Application*

In limited circumstances, and to the extent permitted by law, the Corporation's senior management, in consultation with the Disclosure Policy Committee, may choose to temporarily delay disclosure of material information by news release where, in their reasonable judgment, immediate or premature release of the

information would be inappropriate, or have an undue impact on the interests of the Corporation. Such circumstances will be infrequent and are only permitted if immediate release would have an undue impact on the Corporation's interests. In such cases, the Corporation will keep such information completely confidential for such limited period of time necessary to ensure that the Corporation is not unduly prejudiced by its release. The following are examples of instances when the Corporation may choose to temporarily delay disclosure of material information:

- (i) Release of the information would prejudice the ability of the Corporation to pursue specific and limited objectives or to complete a transaction or series of transactions that are under way. For example, premature disclosure of the fact that the Corporation intends to purchase a significant asset may increase the cost of making the acquisition.
- (ii) Disclosure of the information would provide competitors with confidential corporate information that would be of significant benefit to them. Such information may be kept confidential if the Corporation is of the opinion that the detriment to it resulting from disclosure would outweigh the detriment to the market in not having access to the information. A decision to release a new product, or details on the features of a new product, may be withheld for competitive reasons. Such information should not be withheld if it is available to competitors from other sources.
- (iii) Disclosure of information concerning the status of ongoing negotiations would prejudice the successful completion of those negotiations. It is unnecessary to make a series of announcements concerning the status of negotiations with another party concerning a particular transaction. If it seems that the situation is going to stabilize within a short period, public disclosure may be delayed until a definitive announcement can be made. Disclosure should be made once "concrete information" is available, such as a final decision to proceed with the transaction or, at a later point in time, finalization of the terms of the transaction.

(b) *Responsibilities & Procedures*

When the release of material information is being delayed in accordance with 3(a) above, the Corporation will take the following precautions to keep the information confidential:

- the information will only be disclosed to Corporation officers, employees or advisors, lenders and credit rating agencies in the "necessary course of business," and on a "need to know" basis;
- if and when the information is disclosed in the necessary course of business, recipients of such information will be advised and regularly

reminded of the need to keep it confidential inside and outside of the Corporation;

- confidentiality agreements or undertakings will be used to ensure protection and confidentiality of the information by third parties; and
- all directors, officers, employees and consultants are expected to take reasonable care to ensure appropriate security and protection of the information.
- limiting the number of people with access to confidential information on a 'need-to-know' basis;
- requiring confidential documents to be kept in a secure location and that code names are used if necessary;
- ensuring that electronic versions of confidential documents are properly password protected and /or stored on servers/drives where access can be controlled and before storing confidential documents on shared servers/drives, reviewing access rights;
- not discussing confidential matters in places where the discussion may be overheard, such as elevators, hallways, restaurants, aircraft or taxis;
- where practical, not discussing confidential matters on wireless telephones or other wireless devices;
- not reading or displaying confidential documents in public places and not discarding confidential documents where others can retrieve them;
- maintaining the confidentiality of information in their possession outside of the office as well as inside the office;
- ensuring that transmission of documents by electronic means, such as by fax or directly from one computer to another, is made only where it is reasonable to believe that the transmission can be made and received under secure conditions; and
- ensuring that documents containing confidential information are promptly removed from conference rooms and work areas after meetings have concluded and that extra copies of confidential documents are shredded or otherwise destroyed.

These responsibilities and procedures also apply during the period of time when news releases involving material information are being developed, until the information has been released and disseminated to the investing public.

When the confidential material information being withheld involves a material change, the Corporation will file a report with the TSX and appropriate securities commissions on a confidential basis, in accordance with securities legislation. The Disclosure Policy Committee will reconsider on the 9th day following filing the material change report whether the information must still be held in confidence and will continue to reconsider the issue periodically until the information has been generally disclosed.

If, at any time or in any circumstance, any director, officer, employee or consultant reasonably believes that confidential material information has been inadvertently divulged, he or she must immediately advise a member of the Disclosure Policy Committee. The Disclosure Policy Committee will assess whether material information has been disclosed and if so, initiate a process to provide appropriate public disclosure as soon as reasonably practicable. The Disclosure Policy Committee will also consider whether it is appropriate to request an immediate halt in trading of the Corporation's securities until the news has been properly disseminated.

4. Procedures to be Followed for News Releases

(a) *Disclosure*

When information has been determined to be material, the Corporation will immediately initiate a process to ensure full, true, plain and timely disclosure of same via recognized news services.

Disclosure will always be made except in certain limited circumstances where immediate disclosure of material information would have an undue impact on the Corporation's interests (see Procedures to be Followed Prior to Public Release of Material Information).

(b) *Process and Responsibilities*

All Corporation news releases, including releases of non-material information as well as material information, will be issued by the Director, Communications, or other parties as approved by the President and Chief Executive Officer or Chief Financial Officer. Legal counsel or others designated by the President and Chief Executive Officer or Chief Financial Officer, will coordinate filing via SEDAR the news release and any required Material Change Report, if applicable. All paid announcements or advertisements will be vetted by the Disclosure Committee and Director, Communications.

When a decision has been made by the Disclosure Policy Committee that information is material and will be disclosed, the following steps will be taken:

- A draft news release will be developed by the appropriate party in conjunction with those employees in the Corporation and consultants knowledgeable about the subject matter.
- The draft news release will then be reviewed by the Disclosure Policy Committee either formally through a meeting of the committee, or informally through interaction by e-mail or discussion, to ensure it is in compliance with applicable securities laws and TSX requirements. The committee will involve the Corporation's legal counsel as deemed appropriate by the committee.
- The Controller/CFO will have specific responsibility to review and validate all financial data contained in news releases and assess whether the disclosures are consistent with prevailing accounting standards and guidelines.
- The Disclosure Committee will have specific responsibility to ensure that the content of the news release clearly and effectively communicates the intended substance and meaning of the information to the public.
- The Board of Directors will review and approve for release all news releases containing financial results, MD&A or earnings guidance.
- All news releases will be reviewed and approved by the President and CEO and will be provided to all members of the Board of Directors in advance of their release.
- The contents of the announcements of material information will be factual and the Corporation will strive to ensure that the news release is balanced and informative. Contact numbers for designated spokespersons for the Corporation will be provided.
- Once the content of a news release involving material information has been vetted and agreed, an advance copy will be provided to Regulation Services Inc. ("RS") and the Corporation will provide the planned time for distribution of the release, and make itself available to discuss with RS the appropriate timing of the news release and whether any trading halt is appropriate.
- After notification to RS and agreement on timing for a release involving material information, the Corporation will use a recognized wire service to broadly disseminate the release and legal counsel for the Corporation will make the appropriate filings with relevant securities regulators on SEDAR.

- The Director, Communications will promptly post, or have posted, a copy of the news release on the Corporation's internet web site and, if not already circulated, send a copy to all directors and officers.

5. Disseminating Information

(a) *General Application*

The following principles and practices will be applied when disseminating information to the investing public:

- The Corporation will disseminate information in accordance with its obligations for full disclosure and will strive to respond in a timely and appropriate manner to all legitimate requests for information.
- Material information will in all cases be disseminated broadly and publicly via recognized news services and other means.
- The Corporation will not provide confidential, proprietary or material, non-public information to the investing public, and will deny any requests for same.
- The Corporation recognizes that discussions and meetings with the investing public are an important part of the Corporation's investor relations program. The Corporation will provide non-material and publicly disclosed information in individual and group discussions and meetings where doing so facilitates better understandings about the business and affairs of the Corporation. Generally, such information will be factual and non-speculative in nature, and such discussions and meetings may continue, even during "quiet periods".
- The Corporation will not discriminate or differentiate amongst recipients of non-public, non-material information and will respond in the same manner to all requests for such information. This means that the Corporation will provide the same information and details that it has provided to analysts or fund managers, to any other individual market participant or media representative, upon request.
- During the period of trading blackouts, the Corporation will impose a "quiet period" during which it will refrain from providing any information or guidance on matters potentially impacting earnings outlooks.

(b) *Communicating with Analysts & Investors*

One of the primary responsibilities of the Director, Communications and the purpose of investor relations activity is to facilitate communication with financial

analysts, investors and prospective investors, and to provide information about the Corporation to them.

The Director, Communications and the investor relations consultants are also responsible for preparing senior management for, and developing related presentation materials for, meetings with financial analysts and investors.

It is the responsibility of the Director, Communications and the investor relations consultants to ensure that no material, non-public information is included in related presentation materials or is otherwise selectively disclosed at meetings with financial analysts and investors. If material, non-public information is thought to have been inadvertently disclosed at such a meeting, the presenter, the discloser or the investor relations representative present, will consult with members of the Disclosure Policy Committee and, where this is confirmed, immediate action will be taken to achieve broad, public dissemination of the information. The Disclosure Policy Committee will also consider whether discussing a halt in trading with the regulatory authorities is appropriate.

Materials from recent presentations to, or meetings with, financial analysts and/or investors will be posted on the Corporation's internet web site as soon as practical after the presentation has been made, if such posting would provide additional information not already available on the web site.

Directors, officers, employees and consultants of the Corporation, other than Authorized Spokespersons (or their designates) must refrain from talking to financial analysts, investors and the media about the Corporation's business and affairs. However, if such discussions inadvertently occur, the individual is responsible for immediately advising the Director, Communications or a member of the Disclosure Policy Committee about the nature and content of the discussion. If this occurs, the Disclosure Policy Committee will meet to assess the materiality and, where this is confirmed, immediate action will be taken to achieve broad, public dissemination of the information. The Disclosure Policy Committee will also consider whether discussing a halt in trading with the regulatory authorities is appropriate.

The Corporation will not comment on analysts' models, draft research reports or earnings estimates other than to identify publicly disclosed factual information or to identify inaccuracies or omissions with reference to publicly available information, and only to the extent known to the Corporation at the time.

In communicating with analysts, the Corporation will not confirm or attempt to influence analysts' conclusions or opinions, speculate about future business plans or activities, provide specific "bottom-line" financial expectations for the Corporation or express comfort with analysts' models and earnings estimates.

The Corporation will not in any circumstance restrict or withhold non-confidential information from any analyst that it has provided on a non-

confidential basis to others, nor will the Corporation pressure any financial analyst to change a recommendation or rating.

The Corporation will not distribute financial analysts' reports (where such reports include share price expectations or buy/sell recommendations) outside the Corporation, post them on its internet web site or otherwise refer to analysts' ratings or opinions in external communications or presentations. Reports on the Corporation and other companies which provide an outline of or review of publicly available information without pricing or buying recommendations may be periodically distributed and referred to inside the Corporation. The Corporation may provide a complete list of analysts known to be covering the Corporation to interested persons, on request.

(c) *Communicating with the Media*

One of the primary responsibilities of the Corporation's Director, Communications is to communicate with media representatives, community representatives and the general public, and to provide information about the Corporation to them.

The Director, Communications is also responsible for preparing senior management for, and developing related speeches, handouts and other materials for, news conferences, interviews and meetings with the media and the public. In doing so, the Director, Communications will consult with and engage members of the Disclosure Policy Committee as necessary to ensure that no material, non-public information is included in related speeches and materials.

If material, non-public information appears to have been inadvertently disclosed at events such as conferences, interviews and meetings, the Disclosure Policy Committee will meet to assess the materiality, and where this is confirmed, immediate action will be taken to achieve broad, public dissemination of the information. The Disclosure Policy Committee will also consider whether discussing a halt in trading with the regulatory authorities is appropriate.

The Corporation will not provide material information to the media on an exclusive or selective basis, and will not under any circumstances provide material information to the media on upcoming events or announcements before it is publicly released.

(d) *Conference Calls*

Conference calls may be used to elaborate on information contained in a news release or to update analysts and investors on major initiatives that have been previously announced. No material non-public information is disclosed during conference calls. The calls will be open to analysts, investors, media and a recording of the call may also be accessed by phone or through the internet following completion of the call. Analyst inquiries are handled by the Director,

Communications as are media inquiries. The Director, Communications will attend all conference calls to ensure compliance with this Policy. At the conclusion of each conference call, a debriefing session shall be conducted to review what information was discussed and to confirm that no material non-public information was disclosed. In the event that material non-public information was inadvertently disclosed, the Disclosure Policy Committee will meet to assess the materiality and, where this is confirmed, immediate action will be taken to achieve broad, public dissemination of the information. The Disclosure Policy Committee will also consider whether discussing a halt in trading with the regulatory authorities is appropriate.

A conference call script and series of questions and answers to assist the senior officers on the conference call shall be prepared, and such materials shall be reviewed in advance by a member or members of the Disclosure Policy Committee.

6. Responding to Market Rumours

Only Authorized Spokespersons will respond to media or other inquiries with the statement that it is our policy not to respond to market rumours or speculation. The Corporation will not participate in any stock chat sites that discuss any aspect of the Corporation's operations. Only Authorized Spokespersons will respond to a request from any appropriate and authorized securities regulator for clarification and will disclose relevant information if requested to do so by any appropriate exchange.

Corporation directors, officers, employees and consultants are bound by this Policy and by other means to maintain the confidentiality of material, non-public information. Where it becomes apparent that one of these parties is the source of a market rumour involving such information, the Disclosure Policy Committee will review the matter and recommend a course of action as to appropriate consequences and remedial measures.

7. Forward Looking Information

If the Corporation elects to disclose forward-looking information in its continuous or timely disclosure or other written communication, such information, if deemed material by the Disclosure Policy Committee, will be broadly disseminated via news release in accordance with this Policy. It will be accompanied by:

- the Corporation's underlying material assumptions that provide the context within which the forecast or projection set out in the forward looking information can be assessed; and
- reasonable cautionary statements, warnings or disclaimers which outline the factors that may cause results to differ from expected results.
- If the Corporation elects to make oral disclosure of forward-looking information e.g., in speeches or conference calls, an Authorized Spokesperson shall first make

a cautionary statement that the oral statement contains forward looking information and state that the actual results could differ materially from the forward looking information and outline some of the factors that may cause actual results to differ from expected results.

8. Electronic Communications

(a) Internet Web Site

The Corporation has an internet web site (www.oncolyticsbiotech.com) that contains information about the Corporation, its business, and other areas of interest to the public and other parties.

The Corporation's web site will contain:

- News releases providing "timely disclosure";
- all required periodic or "continuous disclosure", i.e.:
 - annual filings;
 - AIF
 - annual MD&A
 - annual financial statements
 - Interim filings;
 - Interim MD&A
 - Interim financial statements
 - Business Acquisition Reports (BAR's) if and when such events occur
- all significant supplementary disclosure, e.g. Annual Reports, filed by the Corporation.

All timely disclosure, continuous disclosure and material information documents will be posted on the Corporation's web site as soon as possible after release by the news wire service.

In addition, the web site may contain supplemental, non-material information, including:

- corporate fact sheets;
- investor relations presentations;

- management speeches; and
- other materials that may be distributed at meetings with investors.

Supplemental, non-material information will be posted on the web site as soon as practical after it is available.

Generally, documents posted on the Corporation's web site will be posted in their entirety. Any exceptions will be noted. To the extent required by legislation, or as determined by the Corporation, information posted in this section will also be made available in hard copy, on request. Given the potential for web based information to be assumed as real-time, "live" or always up-to-date, the Corporation recognizes the need for due diligence in maintaining, updating and clearly identifying the "vintage" of information on its web site.

All timely disclosure, continuous disclosure and other material information posted to this website will be clearly date identified and retained on the Corporation's website or be otherwise available as part of the public disclosure record for a minimum period of two years. In accordance with disclosure rules and guidelines, any changes or corrections to material Corporation information will be publicly released and added to this disclosure record.

Supplemental, non-material information such as investor presentations are generally materials designed to summarize and supplement public information about the Corporation for the benefit of investors. These materials are generally time-sensitive and any such material provided on the web site needs to be managed to ensure its currency and relevancy for investors. Supplemental, non-material information such as investor presentations will be clearly date "stamped" and will be maintained on the web site until such time as the information becomes outdated or is replaced. The Corporation will only post investor presentations on its web site which include significant changes or differences versus other presentations already posted on the site.

The Director, Communications has ongoing responsibility for ensuring that information on the web site is up-to-date. The Disclosure Policy Committee has a broader, oversight responsibility for this section of the web site to ensure that appropriate standards of care are being applied for disclosures of information via this medium.

9. Individual Disclosure Responsibilities

(a) General Responsibilities

Each director, officer, employee and consultant of the Corporation is specifically responsible for bringing information to the attention of an appropriate person within the Corporation as quickly as possible regarding any event, matter or issue that he or she reasonably believes constitutes undisclosed "material information". Refer to Schedule "A" for an explanation of "material information". This includes information regarding matters that have actually happened and those that are just possibilities. Such information should be raised with a member of the Disclosure Policy Committee or with direct supervisors (who are then responsible for forwarding the information to a member of the Disclosure Policy Committee). The information should otherwise be held in strict confidence.

(b) Sub-certification

The President and Chief Executive Officer will request from the Controller and each Vice-President responsible for significant business operations a quarterly certification, within 15 days of the end of each quarter and annual period, that he or she is not aware of any undisclosed "material information" other than as has been previously disclosed to the Disclosure Policy Committee.

(c) Chat rooms

Directors, officers, and employees are permitted to review internet postings from time to time, but are prohibited from actively participating in internet chat rooms and bulletin board discussions regarding the Corporation.

10. Maintenance of Disclosure Records

Legal counsel to the Corporation, in conjunction with the Director, Communications, will coordinate maintenance for a period of six years, of a copy of all public disclosures made under this Policy and filed on SEDAR and will maintain for a period of two years all presentations by "Authorized Spokespersons" and, to the extent available, tape recordings or transcriptions of conference calls. The Controller will ensure maintenance of records of steps taken to prepare and finalize disclosures made pursuant to this Policy, including minutes of Disclosure Policy Committee meetings.

11. Date of Mandate

This Policy was initially approved by the Board on May 26, 2004. This Policy is effective from and after November 2, 2006

SCHEDULE "A"

Summary of Legal Obligations and Sanctions

1. Disclosure of Material Information

(a) *Disclosure Requirements*

Timely Disclosure

The Corporation is required by law to immediately disclose a "material change" by issuing and filing a news release authorized by a senior officer. Thereafter, as soon as practicable, but in any event within 10 days of the date of the material change, a Material Change Report in the prescribed form must be filed.

Although securities law only requires disclosure of "material changes", Toronto Stock Exchange policy also generally requires disclosure of "material facts".

Continuous Disclosure

In addition to the timely disclosure requirement, The Corporation is required by law to comply with various continuous disclosure requirements including, without limitation:

- Filing with securities regulators and stock exchanges and mailing to shareholders within 90 days of the end of the financial year,
 - annual financial statements,
 - annual MD&A,
 - an AIF, including the NI 51-101 Reports, and
 - a certificate in the prescribed form from each of the CEO and CFO certifying to certain controls,
- Filing with securities regulators and stock exchanges and mailing to shareholders within 45 days of the end of each quarter,
 - interim financial statements
 - interim MD&A
 - a certificate in the prescribed form from each of the CEO and CFO certifying to certain controls,
- Filing with securities regulators

- information circulars
- business acquisition reports in respect of "significant" business acquisitions
- material contracts
- articles, constating documents, by-laws
- notices of change of auditor
- copies of any other material sent to securityholders
- any news releases that contain financial information
- results of voting by securityholders at meetings.

It is an offence under securities laws to file any document with the securities regulators that contains a "misrepresentation". The Corporation and persons who "authorize, permit or acquiesce to" the misrepresentation are guilty of that offence. A misrepresentation can occur both by saying something untrue and by failing to say something that should have been said.

"Misrepresentation" includes:

- an untrue statement of a material fact,
- an omission to state a material fact that is required to be stated (e.g. by a form requirement), or
- an omission to state a material fact that is necessary to be stated in order for a statement not to be misleading.

(b) *Definitions*

For purposes of this Policy, "material information" means "material facts" and "material changes" relating to the business and affairs of the Corporation.

"Material change" and "material fact", are defined as follows:

- Material Change, means a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Corporation or a decision to implement such a change either made by the Board of Directors of the Corporation or made by senior management of the Corporation with the belief that confirmation of the decision by the Board of Directors is probable.

- Material Fact, when used in relation to securities issued or proposed to be issued, means a fact that would reasonably be expected to have a significant effect on the market price or value of the securities.

(c) *Assessing Materiality*

Decisions on the materiality of information will be made within the context of the Corporation's overall business affairs and dimensions. Such decisions require the exercise of experienced judgment and are the responsibility of the Disclosure Policy Committee.

To determine whether information is material and requires disclosure, the Disclosure Policy Committee and the officers and directors will consider both qualitative and quantitative factors and assess whether the information in question would influence an investor's decision to buy or sell the Corporation's securities.

Canadian regulators have listed a number of actual or proposed developments that are likely to give rise to material information and require prompt disclosure. These include, without limitation, the following:

- changes in corporate structure
 - changes in share ownership that may affect control of the Corporation
 - major reorganizations, amalgamations or mergers
 - take-over bids, issuer bids or insider bids
- changes in capital structure
 - the public or private sale of securities of the Corporation
 - planned repurchases or redemptions of securities
 - planned splits of common shares or offerings of warrants or rights to buy shares
 - any share consolidation, share exchange or stock dividend
 - changes in the Corporation's dividend policies or payments
 - possible initiation of a proxy fight
 - material modification to rights of security holders
- changes in financial results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any period
- 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 accounting policies
- changes in business and operations
 - any development that affects the Corporation's resources, technology, products or markets
 - a significant change in 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 businesses
 - significant discoveries by resource companies, including results of drilling programs
 - changes to the Board of Directors or executive management, including the departure of the CEO, CFO, COO 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 key personnel,
 - any notice that reliance on a prior audit is no longer permissible
 - de-listing of the Corporation's securities or their movement from quotation system or exchange to another
- acquisitions and dispositions
 - significant acquisitions or dispositions of assets, property or joint venture interests

- 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
 - 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.