

## **MPX BIOCEUTICAL CORPORATION INSIDER TRADING POLICY**

As a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, MPX Bioceutical Corporation (“**MPX**” or the “**Corporation**”) is under an obligation to disclose to the public all material information and further, to prevent insiders from trading in its securities when in possession of privileged information. (See attached “Examples”). This policy is intended as a guideline to eliminate any transaction by an insider which would not be in full compliance with the law or which by implication might suggest trading by insiders was carried out when they were in possession of privileged or material information not yet disclosed to the public.

### **Scope**

This policy applies to any and all transactions in MPX’s securities, including its common shares and options to purchase common shares, warrants and other types of securities that MPX may issue in the future. Any references herein to “trades” or “trading” (and similar terms) include all of the foregoing transactions. “Securities” includes, but is not limited to, common shares, puts, calls, options, derivatives (or any securities the market price of which varies with the market price of MPX’s common shares) or other rights or obligations to buy or sell securities.

### **Definitions**

For the purposes of this policy the following definitions shall be applicable:

- Privileged Information is any information that has not been disclosed to the public and that could affect the decision of a reasonable investor to buy or sell securities of MPX.
- Material Information is any information relating to the business or affairs of MPX that results in or may reasonably be expected to result in a significant change in the value or market price of MPX’s securities.

### **Prohibition on Trading**

The following persons are deemed insiders and are prohibited from trading on the basis of Privileged or Material Information:

- (a) Directors or officers of MPX, or any shareholder who owns or exercises control over more than ten percent (10%) of the voting securities of MPX;
- (b) Employees of MPX or its subsidiaries and affiliates who have acquired Privileged Information in the course of their relations with or while working for such companies;
- (c) Any person who has engaged, is engaged or proposes to engage in business or professional activities with or on behalf of MPX and has thereby acquired knowledge of Privileged Information;
- (d) A family member who lives in the same house as a person referred to above;
- (e) Any person who has Privileged Information (“**tipee**”) that to their knowledge was disclosed by an insider; and

- (f) Any person who has knowledge of Privileged Information.

### **Reporting Obligations**

An obligation is placed upon certain persons and shareholders to file Insider trading reports following any trade of securities of MPX. This includes securities which the insider directly or indirectly acquires (including through a holding company) or over which he/she exercises control (e.g., through a family trust). Those who must file the same include the directors and officers of MPX or any shareholder who owns or exercises control over more than ten percent (10%) of the outstanding voting securities of MPX and the directors and officers of such shareholders. The term officer means the chairman, vice-chairman, president and/or chief executive officer, any vice-presidents, secretary, treasurer, controller, general counsel, general manager and any individuals who perform functions similar to those mentioned above, as well as each of the five highest paid employees of MPX. The purpose of filing insider reports is to keep securities commissions informed on a continuous basis of such insider's interests in the securities of MPX.

Care must be taken so that such reports are properly and timely filed with the appropriate securities commissions. Such regulatory authorities may monitor the holdings of insiders and the dates upon which transactions in securities are affected. A relationship may be drawn between the timing of transactions and the date upon which any Material or Privileged Information has been disclosed to the public. Once filed, such reports are public documents and various commissions publish reports on insider transactions.

The Corporate Secretary shall be responsible for providing assistance to such insiders with respect to the filing of insider reports. Such filings must be made within five (5) days of the activity. Insiders must report any activity to the Corporate Secretary in a timely manner.

### **Trading Guidelines**

Regulatory authorities recommend that internal guidelines be adopted by reporting issuers to better control transactions in securities by deemed insiders and to prevent trading when in possession of Privileged Information.

The basic guidelines which such insiders of MPX shall follow are set out below:

- No one may trade in the securities of MPX when in possession of Privileged or Material Information and everyone may trade when in possession of information which has been fully disclosed and is of public knowledge.
- No one in possession of Privileged or Material Information may communicate such information to others unless such information needs to be disclosed in the course of business and there are no grounds to believe that it will be used or further disclosed contrary to the law or this policy.

Any person who is deemed to be an insider for reporting purposes shall be subject to these further guidelines in addition to being prohibited from trading at any time when in possession of Privileged or Material Information:

- Such persons may engage in transactions involving the securities of MPX at all times during the year, except during the period ten (10) calendar days prior to and one (1) business day following the date of public disclosure by MPX of its quarterly results and twenty (20) calendar days prior to and one (1) business day following the date of public disclosure of its year end results (the “**Blackout Period**”). Notwithstanding the foregoing, no insider should trade in MPX’s securities following the Blackout Period unless he or she is certain that the financial results for the previous quarter (or year) have been publicly disclosed for at least one (1) full trading day.
- In addition, such persons shall refrain from engaging in transactions involving the securities of MPX during the period five (5) calendar days prior to any other meeting of the Board and for at least one (1) business day following such meeting, whether or not the subject matter considered at such meeting results in an obligation to disclose Material Information. If a meeting of the Board occurs with less than five (5) calendar days prior notice, such persons shall refrain from engaging in transactions involving the securities of MPX beginning on the date of notice of the meeting of the Board and for at least one (1) business day following such meeting, whether or not the subject matter considered at such meeting results in an obligation to disclose Material Information.

All deemed insiders shall refrain from trading in securities of MPX so frequently as to appear to be speculating in the same. Further, such persons shall not engage in transactions involving securities of MPX when they are aware of any Privileged or Material Information or event prior to its disclosure to the public.

Insiders shall not engage in the selling short of, or in the trading of puts or calls in respect of the securities of MPX.

These guidelines must be strictly adhered to as violations will be grounds for disciplinary action which may include dismissal and, in certain cases, be grounds for legal prosecution. Under the law, the consequences for trading in securities when in the possession of Privileged or Material Information or communicating such information to others, or for failing to file appropriate and timely insider reports, can result in heavy fines, the compensation of victims, return of profits made when dealing in securities or even prison terms.

It is the responsibility of all directors, officers and employees, to be fully aware of this policy and the guidelines set out herein and to comply in full with the same.

In the case of any uncertainty with respect to the application of these guidelines or compliance with the same, the Corporate Secretary must be consulted.

## **Examples of Material and Privileged Information**

The following events are generally considered to be material and privileged in nature:

1. a change in share ownership that may affect control of the Corporation;
2. a change in corporate structure such as a merger, amalgamation or reorganization;
3. a take-over bid, issuer bid;
4. a major corporate acquisition, disposition or joint venture;
5. a stock split, consolidation, stock dividend or other change in capital structure;
6. the borrowing of a significant amount of funds;
7. the public or private sale of additional securities;
8. the development of a new product and/or a development affecting the Corporation's resources, technology, products or markets;
9. entering into or loss of a significant contract;
10. quarterly financial results or firm evidence of a significant increase or decrease in near term earnings prospects;
11. an important change in capital investment plans or corporate objectives;
12. a significant change in senior management;
13. significant litigation;
14. a major labour dispute or a dispute with a major contractor or supplier;
15. an event of default under a financing or other agreement;
16. a declaration or omission of dividends;
17. a call of securities for redemption;
18. any other development relating to the business and affairs of the Corporation that would reasonably be expected to significantly affect the market price or value of any of the Corporation's securities or that would reasonably be expected to have a significant influence on an informed investor's investment decisions.