DIVERSIFIED ROYALTY CORP.
(the "Company")

DISCLOSURE POLICY
(adopted November 13, 2014)
(last updated March 9, 2023)

The objective of this disclosure policy is to ensure that communications to the investing public about the Company are:

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

This disclosure policy confirms in writing our existing disclosure policies and practices. Its goal is to raise awareness of the Company's approach to disclosure among the board of directors, senior management, employees and consultants.

This disclosure policy extends to all officers, employees and consultants of the Company, its board of directors and those authorized to speak on its behalf. It covers disclosures in documents filed with the securities commissions and written statements made in the Company's annual and quarterly reports, news releases, letters to security holders, speeches and presentations by senior management and information contained on the Company's website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as press conferences and conference calls.

CONFIDENTIALITY OF MATERIAL INFORMATION

In general, material information is any information about the Company that has a significant effect, or would reasonably be expected to have a significant effect, on the market price of the Company's securities, or that a reasonable security holder would consider important in making a decision to buy or sell the Company's securities.

It is somewhat difficult to define precisely the nature of material information and what might not be considered to be material. Some common examples of material information are:

Changes in Corporate Structure

- changes in share ownership that may affect control of the Company
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

Changes in Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in the Company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications 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 periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Company's assets
- any material change in the Company's accounting policy
- receipt of an audit opinion that contains a going concern qualification

Changes in Business Operations

- any development that affects the royalties payable to the Company or the underlying business of one of its royalty partners
- a significant change in capital investment plans or corporate objectives
- changes to the board of directors or executive management, including the departure of the Company's Chief Executive Officer or Chief Financial Officer (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 officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Company's securities or their movement from one quotation system or exchange to another

Acquisitions and Dispositions

- significant acquisitions or dispositions of assets or royalty rights, including both new and incremental royalty acquisitions

- acquisitions of other companies, including a take-over bid for, or merger with, another company
- changes in credit arrangements or significant new credit arrangements
- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the Company's assets or any material subsidiary of the Company
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions

CONFIDENTIALITY OF EVALUATION MATERIAL

This policy applies to all past, present and future non-public information concerning the Company, which any of the Company's directors, officers and employees (collectively, the "Representatives") may be in possession of or have access to ("Confidential Company Information"), including without limitation, in connection with any transaction or potential proposed transaction (a "Transaction"), that the Company is at such time negotiating or considering entering into, or has entered into, with a third party including current and potential royalty partners (a "Third Party").

Additionally, this policy extends to, among other things, "Evaluation Material", which includes the name of any Third Party and the proposed terms of a Transaction, but, in respect of any Representative, does not include information which (i) was or becomes generally available to the public other than as a result of a disclosure by the Representative in violation of this disclosure policy or any other obligation of confidentiality by which the Representative or the Company is bound, (ii) was or becomes available to the Representative on a non-confidential basis from a source other than the Company and/ or the Third Party and/ or their advisors, provided that to the best of the Representative's knowledge such source is not bound by a confidentiality agreement or obligation with the Company and/ or the Third Party with respect to such information, (iii) was already known to the Representative without any obligation of confidentiality, or (iv) has been developed by the Representative without any restriction and without any use of Evaluation Material or obligation of confidentiality.

All Representatives that are in possession of Confidential Company Information, including Evaluation Material, are prohibited from (i) disclosing such Confidential Company Information to any person without the prior written approval of the Company's board of directors, including, without limitation, to any direct or indirect security holder of the Company (or any of the directors, officers, consultants or employees of such security holder or its affiliates) who, as applicable, has nominated the Representative or proposed the Representative for nomination to the board at any time, past, present or future, or (ii) using such Confidential Company Information, including the Evaluation Material, other than for purposes approved by the Company's board of directors as being for the benefit of the Company.

The foregoing confidentiality and disclosure obligations, in addition to all other obligations related to being a Representative, will survive the Representative's tenure as a director, officer, or employee of the Company, as applicable, and will continue thereafter.

At any time, upon the request of the board of directors of the Company, the Representative shall promptly redeliver to the board of directors all Evaluation Material and all written material containing non-public information (whether prepared by the Company, the Third Party, the Representative or otherwise), or destroy such information, and the Representative may not retain any copies, extracts or other reproductions in whole or in part of such written material.

Any Representative who violates the terms and conditions of this disclosure policy may give rise to irreparable injury to the Company that cannot be adequately compensated in damages. If the Company discovers that a Representative has violated the terms and conditions of this disclosure policy, the Company may, in addition to any other rights or remedies available to it, including at law or equity, enforce the performance of this disclosure policy by way of injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damages (and without the requirement of posting a bond or other security). If the Company discovers that a Representative has violated such laws, it may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

MAINTAIN CONFIDENTIALITY

If you are in possession of material information that has not been publicly disclosed through the issuance of a press release or other accepted means, you are prohibited from discussing that information with anyone outside the Company unless specifically authorized to do so in the necessary course of business and you must limit discussions within the Company to a "need to know" basis. Furthermore, all persons with whom the information is discussed must be told that it is to be kept confidential.

The Company designates a limited number of spokespersons responsible for communication with the media, analysts, investors, brokers and other members of the investment community. The President and Chief Executive Officer ("CEO") and the Chief Financial Officer and VP Acquisitions ("CFO") shall be the official spokespersons for the Company. **Individuals holding these offices may, from time to time, designate others within the Company to speak on behalf of the Company as back-ups or to respond to specific inquiries from the investment community or the media. Employees or consultants 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 or CFO.**

On an ongoing basis, quarterly and annual financial results of the Company and the Company's royalty partners will be confidential material information. Due to the process involved in preparing financial statements, the specific results are known to a number of people within the Company well in advance of the date on which the press release is issued. Consequently, all persons who are in possession of this information are prohibited for discussing the results with anyone outside the Company until after the press release has been issued. All inquiries from security holders, analysts, the media, potential investors, etc., must be referred to the designated spokesperson even after the press release has been issued.

If you are not absolutely certain whether information you possess is material, whether it is to be kept confidential, or whether it has been publicly disclosed, please ask the CEO or CFO.

PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure rules:

- Material information will be publicly disclosed immediately via news release. In certain circumstances, the Company's designated spokespersons may determine that such disclosure would be unduly detrimental to the Company, in which case the information will be kept confidential until publicly disclosed.

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

- Unfavourable material information must be disclosed as promptly and completely as favourable information.

- No selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with a significant investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by a confidentially obligation, such information must be broadly disclosed immediately via news release.

- Disclosure must be corrected if the Company subsequently learns that earlier disclosure by the Company contained a material error at the time it was given.

CONTACTS WITH INVESTMENT ANALYSTS, INVESTORS AND THE MEDIA

General

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

The Company recognizes that analysts are important conduits for disseminating corporate information to the investing public and that analysts play a key role in interpreting and clarifying existing public data and in providing investors with background information and details that cannot practically be put in public documents.

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

The Company will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information.

The Company will, upon request, provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors.

Where practicable, spokespersons will keep notes of telephone conversations with analysts and investors and more than one Company representative will be present at all individual and group meetings. Spokespersons will be advised that the CEO or the CFO will be available for debriefing if a question arises concerning the selective disclosure of previously undisclosed material information.

Quiet Periods

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company may observe "quiet periods" prior to quarterly and annual earnings announcements or when material changes are pending. Quiet periods will generally commence on or about the first day of the month following the end of a quarter and end with the issuance of a news release disclosing quarterly results. During quiet periods no comments or guidance will be provided by the Company or any of its representatives on that quarter's operations or financial results.

During a quiet period, the Company will not initiate any meetings or telephone contacts with analysts and investors, but will respond to unsolicited inquiries concerning factual matters. If the Company is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the CEO or the CFO will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, caution will be exercised to avoid selective disclosure of any material, nonpublic information. For greater clarity, the CEO or CFO may initiate meetings or telephone contacts with analysts

and investors during “quiet periods” to discuss information that is already publicly disclosed. Caution will be exercised to avoid selective disclosure of any material, non-public information through such communications.

Reviewing Analyst Draft Reports and Models

The Company may, upon request, (and if possible) review analysts’ draft research reports or models. The Company will review the report or model for the purpose of pointing out errors in fact based on publicly disclosed information. The Company will limit its comments in responding to such inquiries to the correction of factual errors. The Company will not confirm, or attempt to influence, an analyst’s opinions or conclusions and will not express comfort with the analyst’s model and earnings estimates.

In order to avoid appearing to “endorse” an analyst’s report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

Distributing Analyst Reports

The Company regards analyst reports as proprietary information belonging to 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, unless authorized by the CEO, the Company will not provide analyst reports through any means, including posting such information on its website, to persons outside of the Company or to employees of the Company. The Company may post on its website a complete list, regardless of the recommendation, of all the investment firms and analysts who, to the knowledge of the Company, provide public research coverage on the Company. If provided, such list will not include links to the analysts’ or any other third party websites or publications.

Conference Calls

Conference 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 phone and others in a listen-only mode by phone or on the website. The call will be preceded by a news release. Conference calls about corporate developments and other material information likely to significantly affect the price of the Company’s securities typically will be scheduled outside trading hours to avoid or minimize the risk of selective disclosure. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language with respect to any forward-looking statements and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties.

The Company will announce broadly the date and time of the call, by sending invitations to analysts, institutional investors, the media and others invited to phone in, and by news release and posting on the website for those invited to access the call real time or archived on the Company’s or a third party’s website. If non-material supplemental information is to be provided to the investment community, it is also to be posted on the website for others to view. A tape recording of the conference call and an archived audio web cast on the Internet will be made available following the call for anyone interested in listening to a replay.

A debriefing will be held after the conference call and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company will immediately disclose such information broadly via news release.

RESTRICTIONS ON TRADING SECURITIES OF THE COMPANY

Insider Trading

The securities laws in Canada prohibit any director, officer or other employee or consultant of the Company from purchasing or selling the Company's securities on the basis of material non-public information concerning the Company, or from disclosing material non-public information to others who might trade on the basis of that information. These laws impose severe sanctions on individuals who violate them.

In Canada, liability is imposed by the *Securities Act* (British Columbia) and equivalent legislation of the other provinces and territories of Canada (collectively, the "Acts") on certain persons who, in connection with the purchase or sale of securities, make improper use of material information that has not been publicly disclosed. The relevant Canadian provincial securities legislation provides that persons such as yourself that are in a special relationship with the Company and purchase or sell securities of the Company with knowledge of material information which has not been generally disclosed may be liable for damages to the person on the other side of the trade. In addition, any such person who informs or tips a seller or a purchaser of securities of confidential material information may be liable for damages. The purchaser, vendor or informer is also liable to account to the Company for his or her gain. Under the Acts, you could also be fined up to the greater of $5,000,000 and three times any profit made and/or imprisoned for up to five years less a day. Insider trading is also regulated by the *Criminal Code* (Canada), and may result in fines and imprisonment as well as a permanent criminal record under such legislation.

Please note that anyone who learns of material undisclosed information from you or any other person in a special relationship with the Company is also considered to be in a special relationship with the Company.

What is a Security?

The definition of "security" includes shares, convertible debentures, options, subscriptions or other interests in or to a security and includes puts, calls, or other rights or obligations to purchase or sell securities, the market price of which varies materially with the market price of the securities of the Company.

Defenses

Under Canadian law, there are two primary defenses available to a person or company in a special relationship with the Company who purchases or sells securities of the Company with knowledge of material information with respect to the Company that has not been generally disclosed:

1. the person or company in the special relationship with the reporting issuer proves that he reasonably believed that the material information had been generally disclosed; or

2. the material information was known or ought reasonably to have been known to the purchaser or seller, as the case may be.

There are also defenses for tippers when:

1. the tipper proves that he reasonably believed the material information had been generally disclosed;

2. the material information was known or ought reasonably to have been known to the seller or purchaser, as the case may be; or

3. in the case of an action against the Company or a person in a special relationship, the information was given in the necessary course of business.

Prohibited Trading and "Blackout" Periods

Due to the seriousness of the offence of trading or tipping when you are aware of material information that has not been generally disclosed and the embarrassment any allegations of insider trading would cause to you and the Company, we ask that you speak with the CEO or CFO prior to trading any securities of the Company.

The Company has determined in advance that you will be prohibited from trading the securities of the Company during a "blackout" period commencing on the first day of the month following the end of a quarter and ending on the second day after the issuance of the press release in respect of such financial quarter.

In addition, there will be a "blackout" period for two business days after the issuance of any other press release by the Company.

If you have placed buy or sell orders with a broker, you must cancel your orders immediately upon gaining knowledge of a material undisclosed fact and you must cancel your orders if they have not been filled by the last day prior to any "blackout" period. In addition, you are not permitted to inform a person not covered by this disclosure policy that a blackout period is in effect as a result of particular events or developments.

Notwithstanding the foregoing, trading during blackout periods may be permitted in exceptional circumstances with the prior approval of the CEO or CFO, provided that you are not in possession of material non-public information. Exceptional circumstances may, for example, arise where you are 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. The approval for such trades will only be provided upon receipt of positive clearance by legal counsel and may require you to make specific representations regarding the circumstances. If such a pre-clearance is granted under this Policy, you are reminded of the general prohibition against insider trading under Canadian securities laws, and that it is your sole responsibility to comply with those laws.

Applicability Post-Termination of Employment, Consultancy or Directorship Tenure

If a person is subject to the blackout periods imposed by this disclosure policy and the person's employment, consultancy or tenure as a director terminates during a blackout period (or if the person otherwise leaves the employment of the Company or ceases to be a consultant or director while in possession of material non-public information), such person will continue to be subject to this disclosure policy, and specifically to the ongoing prohibitions against trading and against communication to outsiders of material non-public information, until the blackout period ends (or otherwise until the close of the second full trading day following public announcement of the material non-public information). The Company may institute stop-transfer instructions to its transfer agent in order to enforce this provision.

Insider Reporting

In addition to the obligations described above, insiders are subject to additional reporting obligations. Please read Schedule "A" if you are an insider, or to determine whether you are an insider.

If you are an insider, it is your obligation to ensure that an insider report is completed and filed by you with the securities commission within five days of any change in your holdings of the securities of the Company. Please see Schedule "A" for further details regarding insider reporting obligations.

ANTI-HEDGING POLICY

Policy Objective and Application

The board of directors of the Company has determined that it is inappropriate for directors and Senior Management (as defined below) of the Company to hedge or monetize transactions to lock in the value of equity and equity-linked holdings in the Company. Such transactions would allow the holder to own securities of the Company without the full risks and rewards of ownership and potentially separate the holder's interests from those of security holders of the Company.

The objective of this Anti-Hedging Policy is to prohibit directors and Senior Management from directly or indirectly engaging in hedging against future declines in the market value of any equity-based securities of the Company through the purchase of financial instruments designed to offset such risk given such purchases may undermine the purpose for which such securities are granted.

This Anti-Hedging Policy shall apply to all directors and Senior Management of the Company and its direct and indirect affiliates and subsidiaries. For purposes of this Anti-Hedging Policy:

"**Senior Management**" means and includes:

(a) the President and Chief Executive Officer, the Chief Financial Officer and Vice President, Acquisitions, the Corporate Controller and any other senior officers of the Company or of any of the direct or indirect affiliates or subsidiaries of the Company; and

(b) any other current employee of the Company or any of the direct or indirect affiliates or subsidiaries of the Company who is granted, or currently holds, one or more securities-based awards from the Company.

Prohibition on Hedging

No director or member of Senior Management may, directly or indirectly, engage in any kind of hedging transaction that could reduce or limit the director's or Senior Management member's economic risk with respect to the director's or Senior Management member's holdings, ownership or interest in or to common shares, convertible debentures or other securities of the Company, including, without limitation, outstanding stock options, restricted share units, deferred share units or other compensation awards the value of which are derived from, referenced to or based on the value or market price of common shares in the capital of the Company or other securities of the Company. Prohibited transactions include the purchase by a director or member of Senior Management of financial instruments, including, without limitation, prepaid variable forward contracts, equity swaps, collars, puts, calls or other derivative securities that are designed to hedge or offset a decrease in market value of securities of the Company.

Consequences of Failure to Comply

Directors and members of Senior Management who violate this Anti-Hedging Policy will be subject to disciplinary action which may include, but is not limited to, termination of their position and/or restrictions on future participation in incentive plans.

RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS

This disclosure policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures shall also be responsible for electronic communications. The CFO is responsible for updating the investor relations section of the Company's website and is responsible, along with the corporate secretary, for monitoring all Company information placed on the website to ensure that it is accurate, complete and up to date. The investor relations section of the website shall include a notice that advises the reader that the information posted was

accurate at the time of posting, but may be superseded by subsequent events. All data posted to the website, including text and audio-visual material, shall show the date that such material was posted. Any material changes in information must be updated promptly.

Links from the Company website to a third party website must be approved by the CFO. Any such links will include a notice that advises the reader that he or she is leaving the Company's website and that the Company is not responsible for the contents of the other site, does not attest in any way to their accuracy, and assumes no duty to correct any errors contained in those documents.

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

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

Employees, consultants and directors are prohibited from participating in Internet chat room or newsgroup discussions posting or responding to social media or otherwise disclosing matters on the Internet pertaining to the Company's activities or its securities. Employees, consultants or directors who encounter a discussion pertaining to the Company should advise the CFO immediately, so the discussion may be monitored.

COMMUNICATION AND ENFORCEMENT

New directors, officers, employees and consultants will be advised of this disclosure policy and its importance

An employee, consultant or director who violates this disclosure policy may face disciplinary action up to and including termination of his or her employment or consulting arrangement with the Company. The violation of this disclosure policy may also violate certain securities or criminal laws. If the Company discovers that a director, officer, employee or consultant has violated such laws, it may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

No provision contained herein is intended to give rise to civil liability to security holders of the Company.

ACKNOWLEDGEMENT

When your employment or association with the Company begins, you must sign an acknowledgement confirming that you have read and understand this disclosure policy and agree to abide by its terms. You will also be required to certify compliance with this disclosure policy on an annual basis. Signed acknowledgements and annual confirmations are to be delivered to the CFO.

ACKNOWLEDGEMENT
DISCLOSURE POLICY OF
DIVERSIFIED ROYALTY CORP.

I have read the entire policy entitled "Disclosure Policy" of Diversified Royalty Corp. I understand my obligations and accept my responsibilities described in such policy and agree to abide by its terms, including, without limitation, such obligations and responsibilities set forth under the heading "Anti-Hedging Policy".

_____ _____

Signature Print Name

_____

Dated

Capacity ☐ Employee or Officer

☐ Consultant

☐ Director

ANNUAL CERTIFICATION
DISCLOSURE POLICY OF
DIVERSIFIED ROYALTY CORP.

I have read the entire policy entitled "Disclosure Policy" of Diversified Royalty Corp. (the "Company") and confirm that I have acted in compliance with its terms during the most recently completed fiscal year of the Company and the current year to date.

_____ _____

Signature Print Name

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Dated

Capacity ☐ Employee or Officer

☐ Director

SCHEDULE "A"

Reporting Obligations of Reporting Insiders

Insiders[1] of the Company that are Reporting Insiders are required to file insider reports disclosing their: (a) beneficial ownership of, or control or direction over, whether direct or indirect, securities of the Company[2]; and (2) interest in, or right or obligation associated with, a related financial instrument involving a security of the Company. A Reporting Insider includes:

1. the CEO, CFO, COO, or director of:

   (a) the Company,

   (b) a significant shareholder[3] of the Company, or

   (c) a major subsidiary of the Company;

2. a person or entity responsible for a principal business unit, division, or function of the Company;

3. a significant shareholder of the Company;

4. a significant shareholder based on post-conversion beneficial ownership[4] of the Company's securities and the CEO, CFO, COO and every director of the significant shareholder based on post-conversion beneficial ownership;

5. a management company that provides significant management or administrative services to the Company or a major subsidiary of the Company, every director of the management company, every CEO, CFO and COO of the management company, and every significant shareholder of the management company;

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[1] Insiders include: (a) a director or officer of the Company; (b) a director or officer of a person or company that is itself an insider or subsidiary of a reporting issuer; and (c) a person or company that has: (i) beneficial ownership of, or control or direction over, directly or indirectly, securities of a reporting issuer carrying more than 10 per cent of the voting rights attached to all the reporting issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution, or (ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of a reporting issuer carrying more than 10 per cent of the voting rights attached to all the reporting issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution.

[2] A person is deemed to beneficially own or exercise control or direction over securities which are beneficially owned, controlled or directed (i) by a company controlled by him or her, (ii) by an affiliate of such company, or (iii) through his or her trustee, legal representative, agent or other intermediary. In general, a company is controlled by a person or another company if voting securities of the company carrying more than 50% of the votes are held by or for the benefit of the person or other company.

[3] A significant shareholder means a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution.

[4] A person or company is considered to have post-conversion beneficial ownership of a security if the person or company is the beneficial owner of a security convertible into the security within 60 days following that date or has a right or obligation permitting or requiring the person or company, whether or not on conditions, to acquire beneficial ownership of the security within 60 days, by a single transaction or a series of linked transactions.

6. an individual performing functions similar to the functions performed by any of the insiders described in paragraphs (1) to (5);

7. the Company itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or

8. any other insider that

    (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer before the material facts or material changes are generally disclosed; and

    (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the reporting issuer;

Please note that the CEO, CFO, COO, or director of any major subsidiary or significant shareholder of the Company (as well as the Company itself) are considered Reporting Insiders of the Company who must file insider reports with respect to security holdings in the Company, subject to certain exemptions that may be available. Please speak to the CFO if you believe you may be exempt. Where an individual is an insider by virtue of holding one or more offices, he or she need only file one report indicating each office held.

When Reports Must Be Filed

Insider reports must be filed in three circumstances.

First, when a person or company becomes an insider of the Company, an initial insider report must be filed disclosing the person or company's direct or indirect beneficial ownership of or control or direction over securities of the Company as of the date such person or company became an insider. However, if the new insider is a company, the initial report filed by the directors and senior officers of the new insider company must also disclose their security holdings in the Company for the past six months or such shorter time as they were directors or senior officers of the new insider company. No report is required to be filed if no securities of the Company are beneficially owned, controlled, or directed by the insider as of the date such person became an insider or during the six month period prior to such date, as the case may be; provided, however, that a nil opening balance report may be filed at such time on a voluntary basis.

Secondly, when an insider's beneficial ownership of or control or direction over any securities of the Company changes, an insider report must be filed disclosing the details of such change or changes which occurred and the insider's resultant security holdings.

Thirdly, other than transfers for the purpose of giving collateral for a bona fide debt, an insider is prohibited from transferring or causing to be transferred any securities of the Company into the name of an agent, nominee or custodian unless an insider report is filed.

Initial insider reports must be filed within ten days of a person or company becoming an insider of the Company. Thereafter, insider reports must be filed within five days after a trade, event, transaction or change has occurred.

The System for Electronic Disclosure by Insiders ("SEDI") is the insider trade reporting system available over the Internet at www.sedi.ca. Generally, insiders of all reporting issuers (other than mutual funds) must file their insider reports electronically via SEDI. Insider reports may be filed with all Canadian securities jurisdictions via SEDI. The public will also be able to search for and look at public information

filed on SEDI on the same website. Before an insider report can be filed, an insider must register on SEDI and file an insider profile.

The filing of insider reports does not give license to insiders to trade or tip with knowledge of confidential information.

Report by Registered Owner

Where voting securities are registered in the name of a person or company who is not the beneficial owner thereof, and such registered owner knows that the beneficial owner is an insider and the insider has not filed an insider report, the registered owner is under an obligation to file a report, except where the transfer was for the purpose of giving collateral for a bona fide debt.

Early Warning Filings

The foregoing does not describe the obligations of a person or company to report when such person or company has acquired beneficial ownership of, or the power to exercise control or direction over, or securities convertible into, voting or equity securities that together with his, her or its presently held securities, would constitute 10% or more of the outstanding securities of the applicable class. In these circumstances, it is necessary immediately to file a press release containing the information required by the relevant securities acts and the regulations made thereunder and within two business days file a report containing the same information as in the press release. The foregoing does not purport to describe in full the obligations in such a situation. You should speak to the CFO to discuss any questions or concerns you may have with respect to these obligations.