

## CORPORATE DISCLOSURE AND SECURITIES TRADING POLICY

### AMERICAS SILVER CORPORATION

#### 1. Introduction and Purpose

**1.1 Importance of Compliance** – Securities legislation, rules and regulations impose various requirements on the Company, all directors, officers and employees of the Company and its subsidiaries, if any, (collectively, the “**Company**”) and other persons in similar relationships with the Company (collectively, with the directors, officers and employees of the Company, “**Company Personnel**”<sup>1</sup>) that are intended to ensure that:

- (a) Communications about the Company are timely, factual, accurate and balanced; and that communications are broadly disseminated so that there is no selective disclosure of “material information” (as defined below in Section 2.4(a)); and
- (b) Individuals in a special relationship (as defined under securities legislation) with the Company do not trade in the shares or other securities of the Company when they are in possession of material, non-public information (as defined below in Section 2.4(e)) and do not pass on or tip that information to others.

**The consequences of improper disclosure, trading or tipping (or suspicion of any of those activities) are serious, both for the individual involved and the Company. Breach of the applicable legislation, rules and regulations may involve both civil and criminal penalties, and the monetary and reputational cost of an actual or suspected breach may be significant.**

**1.2 Purpose** – This Policy is intended to help to ensure that the Company and Company Personnel comply with these requirements by setting out procedures and guidelines for:

- (a) Dealing on a day-to-day basis with the Company’s material non-public and/or confidential information;
- (b) Communicating with all market participants; and
- (c) Restricting trading by Company Personnel in securities of the Company and other issuers in respect of which Company Personnel may receive material, non-public information while representing the Company, if the Company Personnel is in possession of material, non-public information.

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<sup>1</sup> For the purposes of this Policy “employees” includes all permanent, contract, secondment and temporary agency employees who are on long-term assignments with the Company, as well as to consultants to the Company.

### 1.3 Scope and Application

- (a) This Policy extends to all Company Personnel and their family members, as well as any other insiders of the Company. Company Personnel are responsible for directing family members to comply with this Policy. For the purposes of this Policy “**family member**” means, in relation to any Company Personnel any spouse, child, stepchild, grandchild, parent or stepparent, whether or not sharing the same household as the Company Personnel, and others living in their households, and investment partnerships and other entities (including trusts and corporations) over which such Company Personnel have or share voting or investment control.
- (b) This Policy covers disclosures in documents filed with the securities regulators, financial and non-financial disclosure, and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on the Company’s website and other electronic communications. It also extends to oral statements made in speeches, press conferences and conference calls, those made in meetings and telephone conversations with analysts and investors, and in interviews with the media.
- (c) This Policy supplements securities legislation, rules and regulations regarding disclosure and trading, as well as the policies and procedures set out in the Company’s other corporate governance documents. In particular, the *Audit Committee Charter*, the *Code of Business Conduct and Ethics* and the *Whistleblower Policy* provide additional information regarding procedures for review of disclosure, conduct and reporting of violations.<sup>2</sup> The Board of Directors of the Company (the “**Board**”) may change this Policy and the procedures that it contemplates as appropriate to carry out the purposes of this Policy and applicable legal requirements. All Company Personnel shall read and agree to adhere to the terms of the Policy.

## 2. Confidentiality and Disclosure

**2.1 Disclosure Committee** – The Chief Executive Officer of the Company (“**CEO**”) has established a disclosure committee (“**Disclosure Committee**”), currently consisting of the CEO, Chief Financial Officer (“**CFO**”), General Counsel, for overseeing the Company’s disclosure practices. The Disclosure Committee will generally be comprised of officers and employees of the Company, designated from time to time by the CEO in consultation with the Chair of the Compensation and Corporate Governance Committee.

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<sup>2</sup> This Policy is not intended to provide an in-depth legal analysis of insider trading rules but rather to serve as a guideline for the purpose of limiting the possibility of illegal or inappropriate use of undisclosed confidential material information, facts or changes regarding the Company. The onus of complying with this Policy and the relevant insider trading and other securities legislation lies with each individual director, officer and employee of the Company and its subsidiaries, each of whom is expected to be familiar with this Policy and such legislation and to comply fully with them.

It is essential that the Disclosure Committee be kept fully apprised of all pending material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. The Committee will meet as conditions dictate and will report to the Board or a committee thereof on a periodic (but no less than annual) basis.

## **2.2 Communication on Behalf of the Company**

- (a) The only individuals that should communicate on behalf of the Company with market participants (investment dealers, analysts, bankers and advisers, institutional investment managers, investment companies or retail investors) or the media, in respect of the Company's financial affairs or business condition or prospects, are the CEO (and/or those specifically authorized from time to time by the CEO) and those specifically authorized from time to time by the Board. No other persons should hold themselves out as being authorized to undertake such communications on behalf of the Company.
- (b) All information requests from market participants or investors, as well as inquiries with respect to market rumours, should be referred to the Disclosure Committee.
- (c) The CEO, with the assistance of other senior management, should be available to investors to hear, understand and address any questions or concerns that they may have. Material questions and concerns raised by investors should be reported to the Board on a periodic basis.

## **2.3 Confidential Information**

- (a) The protection of confidentiality is vital to the operations and affairs of the Company. As importantly, securities legislation expressly prohibits Company Personnel from disclosing material, non-public information concerning the Company or any and other issuers in respect of which Company Personnel may receive material, non-public information while representing the Company to any person (including, among others, family members, analysts, individual investors and members of the investment community and the media), except in the necessary course of business (as defined in Section 2.5(c)) provided that steps are taken to maintain confidentiality.
- (b) Because it may be difficult to determine what information is confidential, all information regarding the affairs of the Company not generally available to the public should be treated as if it were confidential. As a general guideline, Company Personnel should limit discussions with outsiders regarding the Company and should not discuss the confidential affairs of the Company with outsiders. Except as contemplated in this Policy under Section 2.5 "Procedures and Guidelines Governing Disclosure", no Company Personnel should disclose any confidential or material, non-public information unless that disclosure is required as part of his or her regular duties. Where that information is to be disclosed to third parties, the Company may want to take specific steps to preserve the confidentiality of the information, including requiring the recipient of the information to sign an appropriate form of confidentiality agreement. All inquiries (other than information of a type previously approved for disclosure on a confidential basis in the necessary

course of business) from outsiders regarding confidential or material, non-public information about the Company or should be referred to a member of the Disclosure Committee who will arrange a response.

- (c) To prevent the misuse or inadvertent disclosure of confidential or material non-public information, the procedures set forth on Annex A should be observed at all times.
- (d) The foregoing obligations of confidentiality are subject to applicable whistleblower laws, which protect your right to provide information to governmental and regulatory authorities. You are not required to seek the Company's permission or notify the Company of any communications made in compliance with applicable whistleblower laws, and the Company will not consider such communications to violate this or any other Company policy or any agreement between you and the Company.

## 2.4 Material Information

- (a) **Significance of Material Information** – When information is “**material**” (described below as “material information”), the Company is legally obliged to disclose it. While the obligation is to disclose this information immediately, there will necessarily be a period of time during which the Company is preparing to make this disclosure when some people at the Company will be aware of that information. During this period of time, those people will be in possession of “**material undisclosed information**”. This creates opportunities for insider trading, tipping and selective disclosure. These activities are damaging both for the individuals involved and for the Company and are strictly prohibited under this Policy, and under other policies of the Company.

The decision about whether information is material and what action should be taken so that the necessary disclosure will be made in accordance with all legal and stock exchange requirements must only be made by the Disclosure Committee (described above) and when appropriate in consultation with the Board or applicable committee of the Board. If you become aware of information that you think may be considered material, you should advise your immediate supervisor or a member of the Disclosure Committee so that a proper determination can be made about whether the information should be publicly disclosed.

- (b) **What is Material Information?** – “Material information” consists of both “**material facts**” and “**material changes**”. A “**material fact**” means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities of the Company. A “**material change**” means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Company and includes a decision to implement such a change if such a decision is made by (i) the Board or (ii) by senior management who believe that confirmation of the decision by the Board is probable.

Determining the materiality of information requires the exercise of judgment. In general terms, material information includes any information that:

- (i) Results, or could reasonably be expected to result, in a significant change in the market price or value of any of the securities of the issuer to which the information relates; or
- (ii) There is a substantial likelihood would be considered by a reasonable security holder to be important in making an investment decision.

Examples of the types of events or information that may be considered Material Information are set out in Annex B.

- (c) In some circumstances, the Company may determine that disclosure would be unduly detrimental to the Company, in which case the information may be kept confidential until the Company determines it is appropriate to make public disclosure. In these circumstances, the Company will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (as otherwise required by applicable law or regulation) review its decision to keep the information confidential.
- (d) **Non-Public Information** – Information is “non-public” if it has not been “generally disclosed” to the marketplace which means that (i) the information has been disseminated in a manner calculated to effectively reach the marketplace (e.g. widely circulated news or wire service); and (ii) public investors have been given a reasonable amount of time to analyze the information (e.g. after the close of trading on the second trading day following the widespread public release of the information).

## 2.5 Procedures and Guidelines for Disclosure

- (a) **Full, Fair, Accurate, Timely and Understandable Disclosure** – The Company should ensure that its disclosure is full, fair and accurate. Disclosure should include any information the omission of which would make the rest of the disclosure misleading. The Company should disclose all material information on a timely basis as required by all applicable legislation, rules and regulations. Disclosure should be corrected if the Company subsequently learns that earlier disclosure contained a material misrepresentation at the time it was made or if the Company has otherwise undertaken to update prior disclosure. The Company also should strive to ensure that its disclosure is clear and understandable
- (b) **Continuous Disclosure Record** – As a public entity, the Company must provide certain information to its security holders, to securities regulators and to the stock exchange(s) on which it is listed on a regular basis. The CEO and the CFO are ultimately accountable for the Company’s public disclosure. They have supervised the design of disclosure controls and procedures in connection with creation of that disclosure. The Disclosure Committee is responsible for the implementation of these controls and procedures.

- (c) **Open Disclosure (No Selective Disclosure)** – The Company should use all reasonable efforts to ensure that any material information that is disclosed is distributed on a broad, non-exclusionary basis. Previously undisclosed material information should not be disclosed to selected individuals (for example, in an investor meeting or during a telephone conversation with an analyst). If previously undisclosed material information is inadvertently disclosed, this information should be broadly disclosed immediately (i.e. via a widely circulated news or wire service).<sup>3</sup> If the Company makes an unintentional selective disclosure it should take immediate steps to ensure that a full public announcement is made. This may include requesting that trading be halted pending the issuance of a news release.

Pending the public release of the material information, the Company should also tell those parties who have knowledge of the information that the information is material and that it has not been generally disclosed.

The Company may, however, disclose such information as may be “**necessary course of business**”. The "necessary course of business" exception is a limited one and exists so as not to unduly interfere with the Company's ordinary business activities. The exception could cover communications that are required to be made to further the business purposes of the Company.<sup>4</sup>

(d) **Prior Review of Certain Disclosure**

- (i) All written and oral disclosure, including news releases, should be approved, before public disclosure by at least two members of the Disclosure Committee. In exceptional circumstances, the Chief Executive Officer may approve press releases for issuance where other Disclosure Committee members are unavailable and immediate release is required.
- (ii) The Audit Committee should review and recommend for approval by the Board, before public disclosure, financial statements, Management's Discussion and Analysis, as well as any financial information and earnings guidance, if any, provided to analysts, as contemplated by the Audit Committee charter. Financial results will be publicly released promptly following approval by the Board.
- (iii) The Board should also review, before public disclosure, all substantive materials filed with securities regulators.

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<sup>3</sup> News Releases will be disseminated in accordance with the Company's policies and securities legislation, rules and regulations and should be posted on the Company's website immediately after confirmation of dissemination over the newswire.

<sup>4</sup> Generally covering communications with: (i) Vendors, suppliers or strategic partners on issues such as research and development, sales and marketing and supply contracts; (ii) other Company Personnel; (iii) Lenders, legal counsel, underwriters, auditors, and financial and other professional advisors to the Company; (iv) Parties to various types of negotiations with the Company; (v) Credit rating agencies; (vi) Labour unions and industry associations; or (vii) Government agencies and non- governmental regulators.

- (e) **Quiet Periods** – To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe quiet periods when material changes are pending.

During a quiet period, neither the Company nor any Company Personnel should initiate any meetings or telephone contacts with analysts and investors, but the Company may respond to unsolicited inquiries concerning factual matters. If the Company is invited to participate in investment meetings or conferences organized by others during a quiet period the Disclosure Committee will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, extreme caution will be exercised to avoid any selective disclosure.

- (f) **Dealing with Forward Looking Information** – Should the Company elect to disclose forward looking information in continuous disclosure documents or other public disclosure (whether written or oral and including speeches and conferences), the following guidelines should be observed:

- (i) Disclosure of forward looking information will be consistent with the policies set out herein for disclosure of all other information;
- (ii) The information will be published only if there is a reasonable basis for drawing the conclusions or making the forecasts and projections set out therein; and
- (iii) The disclosure containing the forward looking information should have, proximate to that information:
  - Reasonable cautionary language identifying the forward looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information;
  - A statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information as well as the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement;
  - A statement that the information is stated as of the current date, is subject to change after that date and the Company does not undertake to update any forward looking information except as required by law; and
  - The information may be accompanied by supplementary information such as a range of reasonably possible outcomes or a sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome.

- (iv) Once disclosed, the Company's practice for updating forward looking information should be to regularly assess whether previous statements of forward looking information should be replaced by new financial outlooks, and ensure that past disclosure of forward looking information is accurately reflected in current Management's Discussion and Analysis.
- (g) **Managing Expectations** – The Company will try to ensure, through its regular public dissemination of quantitative and qualitative information, that a fair and accurate analysis of the Company is ascertainable by all interested parties. If the Company has determined that it will be reporting results materially below what it considers to be generally publicly held expectations, it should consider disclosing this information in a news release in order to enable discussion without risk of selective disclosure.
- (h) **Rumours** – The Company does not intend to comment, affirmatively or negatively, on rumours, including those on the Internet. The Company should respond consistently to any rumours, saying, "It is our policy not to comment on market rumours or speculation." Should any regulatory body request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the Company's securities, the Disclosure Committee will act in accordance with the Company's policies and securities legislation, rules and regulations.

Company Personnel who become aware of inaccurate information on the Internet, in a chat room, newsgroup or any other source, should report the information to the Disclosure Committee.

## 2.6 Certain Specific Situations

- (a) **Information Meetings or Conference Calls** – Information meetings or conference calls and webcasts may be held after the release of quarterly and annual results and in association with the release of other material information by the Company.
  - (i) These calls should be accessible simultaneously to all interested parties, some as participants and others in a listen-only mode by telephone and/or webcast over the Internet.
  - (ii) At the call, a Company spokesperson will provide appropriate cautionary language regarding any forward looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a discussion of the risks and uncertainties applicable to the information discussed.
  - (iii) The Company should provide advance notice of conference calls and webcast presentations by issuing a news release providing information on how interested parties may access the call or webcast. A recording of the conference call or webcast should be made available for a reasonable period following the call (e.g. 30 days).

- (iv) Prior to the call, the information proposed to be provided by the Company should be reviewed by the Disclosure Committee (and, if appropriate, the Board) and, where practical, statements and responses to anticipated questions should be discussed in advance.
  - (v) After the call the Disclosure Committee should hold a debriefing meeting to consider whether there is any concern that selective disclosure may have been made, and if it is determined that selective disclosure of previously undisclosed material information or misleading disclosure has occurred, the Company should promptly disclose or correct the information in accordance with the procedures set out in this Policy.
- (b) **Communications with Analysts, Investors and the Media** – The Company recognizes that meetings and calls with analysts and investors are an important element of its investor relations program. However, the Company’s disclosure should be consistent among all audiences in accordance with this policy, including the investment community, the media and Company Personnel.
- (i) The Company should adhere to similar procedures for meetings and calls with analysts, investors and the media as set out above for information meetings and conference calls initiated by the Company (see Section 2.6 (a) “Information Meetings and Conference Calls” above). In particular (iv) and (v) with respect to prior review by the Disclosure Committee of information to be presented and post meeting debriefings to consider whether there is any concern that selective or misleading disclosure has been made.
  - (ii) The Company should provide only non-material information through individual and group meetings, in addition to previously publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. The materiality of information generally cannot be altered by breaking down the information into smaller, non- material components.
  - (iii) When practical more than one Company representative should be present at all individual and group meetings. Company spokespersons should keep notes of telephone conversations with reporters and may follow up with reporters when there is an inaccuracy in an article, in order to set the record straight, and ensure that the same error does not recur in future articles.
- (c) **Analysts’ Reports** – As a general guideline, the Company does not intend to provide comments on analysts’ reports or models and Company Personnel should refrain from so doing unless specifically authorized. The Disclosure Committee may authorize specific persons who may review analysts’ reports or models for factual accuracy.

The Company may post on its website a complete listing, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, this list should not include links to the analysts’ or any other third party’s websites or publications.

## 2.7 Electronic Communications

- (a) **Website** – The Investor Relations department, in consultation with the Disclosure Committee, is responsible for updating the Company’s website and for monitoring all corporate information placed on the website to ensure that it is accurate, complete and up to date. Any material changes in that information must be updated promptly. Although the Company views electronic communications as an extension of its formal disclosure record, it recognizes that disclosure on the Company’s website does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on its website will be coordinated with a news release. The General Counsel must approve all links from the Company’s website to third party websites.
- (b) **Electronic Inquiries** – The Investor Relations department will be responsible for coordinating responses to electronic inquiries in consultation with the Disclosure Committee. Only public information or information that could otherwise be disclosed in accordance with this disclosure policy shall be used to respond to electronic inquiries.
- (c) **Chat Rooms, Bulletin Boards and Emails** – No Company Personnel should participate in, host or link to chat rooms or bulletin boards. Company Personnel are prohibited from discussing corporate matters in these forums. This prohibition is intended to protect the Company from the liability that could arise from the well-intentioned, but sporadic, efforts of employees to correct rumours or defend the Company. Company Personnel should report discussions pertaining to the Company that they find on the Internet to a member of the Disclosure Committee.

## 3. Procedures and Guidelines Governing Trading

- 3.1 Trading for Speculative Purposes** – To limit the possibility of any suspicion of improper trading, Company Personnel should trade in securities of the Company or other issuers in respect of which Company Personnel may receive material, non-public information while representing the Company (including the exercise of stock options and exchange-traded options or other derivative securities that are not issued by the Company or Special Relationship Issuer but are based on its securities, collectively (“**Relevant Securities**”) only for investment, and not speculative, purposes.
- 3.2 Prohibited Trading Activities** – No Company Personnel (and no entity in respect of which he or she has or shares voting or investment control) should trade in:
  - (a) Relevant Securities while in possession of material, non-public information concerning the issuer and persons possessing such information may generally trade only after the close of trading on the second trading day following the Company’s widespread public release of the information in accordance with this Policy.<sup>5</sup>

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<sup>5</sup> Securities legislation prohibits any person in a "special relationship" with the Company from purchasing or selling securities issued by the Company, and also from engaging in various hedging and derivative transactions in respect of such securities, with knowledge of a material fact or material change (as defined in [Section 2.4](#) above) with respect to the Company that has not been generally disclosed. This prohibited activity is commonly known as “insider trading”.

- (b) Company securities during any applicable “blackout periods” described below; and
- (c) Any interest or position (other than options to acquire the Company’s securities) relating to the future price of Relevant Securities, such as a put, call or short sale.

**3.3 No Tipping** – Securities legislation prohibits a company or any person in a "special relationship" with an issuer from informing any other person, other than in the "necessary course of business" (as defined in Section 2.5(c)), of a material fact or material change in respect of the issuer before the material fact or material change has been generally disclosed. This prohibited activity is commonly known as "tipping". Both the person who provides the information and the person who receives the information could be liable under securities laws if the person who receives the information purchases or sells securities of the issuer.

**3.4 No Trading During Blackout Periods** – No Company Personnel who are “Blacked Out Personnel” (as defined below) should trade in Company securities including the exercise of stock options during any “**regularly scheduled blackout period**” or “**discretionary blackout period**” (defined below) that the Disclosure Committee may designate and which will be communicated promptly on designation, generally by e-mail or other manner as appropriate in the circumstances. No Company Personnel should disclose to any persons that are not Company Personnel that a discretionary blackout period has been designated.

- (a) “**regularly scheduled blackout periods**” means periods in each case (i) beginning on the day after end of each quarter or fiscal year and ending on the close of trading on the first trading day following the release of annual or quarterly production results by press release; and then (ii) beginning the 5<sup>th</sup> day prior to the day on which the Company releases its annual or quarterly financial statements and ending on the close of trading on the first trading day following such release of annual or quarterly financial statements.
- (b) “**discretionary blackout periods**” are imposed from time to time on Company Personnel by the CEO and at least one (1) other member of the Disclosure Committee (typically the General Counsel), in addition to the regularly scheduled blackout periods, following consultation with the CEO, CFO, General Counsel and Board as may be appropriate in the circumstances.
- (c) The following are “**Blacked-Out Personnel**” of the Company for the purposes of **regularly scheduled** and **discretionary** blackout periods:
  - All Insiders and their family members; and
  - All Company Personnel who are notified by the Company that they have been designated as Blacked-Out in respect of such periods, and their familymembers.

For the purposes of this Policy “**Insiders**” of the Company are directors and officers (including consultants who perform the services of an officer) of the Company. Any Company Personnel who is uncertain whether other prohibitions or restrictions apply should consult with the General Counsel.

(d) **Waiver** – Notwithstanding any of the prohibitions contained in this Section 3.4, the CEO and at least one (1) other member of the Disclosure Committee (typically the General Counsel) may exercise discretion to waive the prohibitions contained in this Section 3.4 in exceptional circumstances (such as to allow for the exercise of options), provided that the person seeking the waiver does not have any undisclosed Material Information and that making such an exception would not violate any applicable securities laws. Company securities acquired on the exercise of options will be subject to all of the provisions of this Policy and cannot be sold in connection with the exercise of an option pursuant to this paragraph or otherwise except in compliance with the provisions of this Policy.

**3.5 Approval of Trades Generally** – Insiders should not trade in Company securities (including the exercise of options) unless the proposed trade (including the proposed number of securities and nature of the trade) has been approved by one (1) of the CEO, CFO or General Counsel. Any trades that have been approved must be completed within five (5) business days (or such shorter period specified by the person approving the trade).

**3.6 Special Considerations in Investing in Company Securities** – Company Personnel and their family members are urged not to purchase Company securities using borrowed funds in an amount or on terms and conditions which are not prudent in light of their financial condition. In addition, careful consideration should be given before pledging Company securities for a loan because of the potential insider trading liability that could arise if the lender should seek to sell the securities at a time when there is undisclosed material information about the Company.

**3.7 Insider Reports** – Under securities laws, Insiders are required to file a report (an "**Insider Report**") with securities regulators any time their direct or indirect beneficial ownership of or control or direction over securities of the Company (including derivatives thereof) changes, including any time they trade such securities. This is a broad obligation and Insiders must file an Insider Report electronically through the System for Electronic Disclosure by Insiders ("**SEDI**") within five (5) days after each such change.

If you are an Insider and make a trade or your beneficial ownership of or control or direction over securities of the Company otherwise changes, you must contact the Legal Department immediately and provide the information required to file an Insider Report. An Insider Report based upon such information will be prepared and filed electronically on your behalf.

Insiders of the Company are also required to promptly update the Legal Department of any change of name, address, relationship with the Company or other change in personal information so that their profile on SEDI can be updated accordingly.<sup>6</sup>

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<sup>6</sup> Securities legislation exempts some Insiders from filing Insider Reports. Please contact the Legal Department to determine the availability of an exemption in a particular case.

### 3.8 Potential Sanctions

- (a) **Disciplinary Actions** – Violation of this Policy or applicable legislation, rules, regulations or stock exchange requirements by any Company Personnel may subject that person to disciplinary action by the Company, which could include termination for cause. The violation of the Policy may also violate certain securities laws, which could expose such Company Personnel to civil and criminal personal liability. If it appears that Company Personnel may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.
- (b) **Reporting of Violations** – Any Company Personnel who violate this Policy or any applicable legislation, rules, regulations or stock exchange requirements, or knows of any such violation by any other Company Personnel, should report the violation immediately in accordance with the Company's *Whistleblower Policy*.

### 3.9 Administration of the Policy

- (a) The Disclosure Committee has been designated as responsible to oversee the procedures and guidelines relating to timely and fair disclosure by the Company. In this context, the General Counsel/Corporate Secretary will administer, monitor and enforce compliance with applicable legislation, rules and regulations, as they relate to disclosure of information by the Company and recommend revisions to this Policy as necessary to reflect changes in applicable legislation, rules and regulations.
- (b) Nothing contained in this Policy is intended to expand applicable standards of conduct under statutory or regulatory requirements or is intended to give rise to liability on the part of any Directors of the Company or the members of the Disclosure Committee.
- (c) **Consulting a Member of the Disclosure Committee for Guidance** – Any Company Personnel who is unsure about the application or interpretation of this Policy to a specific situation (including whether the information that they possess is material or non-public) should consult the General Counsel, CEO or CFO.

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*Ratified by the Board of Directors on December 15, 2016*

**Annex A****Guidelines on Preserving Confidentiality**

To prevent the misuse or inadvertent disclosure of confidential or material non-public information, discretion should be exercised at all times including observing the procedures set forth below.

- (a) Documents and files containing confidential information should be kept in a safe place, with access restricted to individuals who “need to know” that information in the necessary course of business and code names should be used if necessary;
- (b) Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
- (c) Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;
- (d) Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office;
- (e) Transmission of documents by electronic means, such as by fax, email or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- (f) Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded and extra copies of confidential documents should be shredded or otherwise destroyed; and
- (g) Access to confidential electronic data should be restricted through the use of passwords.
- (h) Communication by email leaves a physical track of its passage that may be subject to later decryption attempts. Caution should be exercised whenever confidential material information is to be transmitted over the Internet. Where possible, Company Personnel should avoid using e-mail to transmit confidential material information.

**ANNEX B****Examples of Potential Material Information**

The following are examples of information that could be Material Information as they may result in, or may reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of the Company and/or a reasonable investor may consider them important in making a decision to buy, hold or sell securities:

- (a) 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
- (b) Changes in Capital Structure
  - The public or private sale of additional securities
  - 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 company's dividend payments or policies
  - The possible initiation of a proxy fight
  - Material modifications to rights of security holders
- (c) 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
- (d) Changes in Business and Operations
  - Any development that affects the company's resources
  - A significant change in capital investment plans or corporate objectives
  - Major labour disputes or disputes with major contractors or suppliers

- Significant new contracts or significant losses of contracts or business
  - Significant discoveries
  - Changes to the board of directors or executive management, including the departure of the company's CEO, CFO, COO or president (or persons in equivalent positions)
  - The commencement of, or developments in, material legal proceedings or regulatory matters
  - 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
- (e) 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
- (f) Changes in Credit Arrangements
- The borrowing or lending of a significant amount of money
  - Any material mortgaging or encumbering of the company'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