

## SIGMA LITHIUM CORPORATION

### TIMELY DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY

#### 1. DATE OF ADOPTION

- 1.1 This Timely Disclosure, Confidentiality and Insider Trading Policy (this “**Policy**”) has been adopted by the board of directors (the “**Board**”) of Sigma Lithium Corporation. (the “**Corporation**”) as of September, 2021.

#### 2. BACKGROUND

- 2.1 The Corporation is a corporation incorporated under the *Canada Business Corporations Act*.
- 2.2 The Corporation holds a 100% interest in Sigma Lithium Inc., the holding entity through which the Corporation has its ownership interests in various operating entities (the Corporation together with its direct and indirect subsidiary entities are collectively referred to herein as the “**Corporation Entities**”).

#### 3. PURPOSE OF THIS POLICY

- 3.1 The purpose of this Policy is to ensure that the Corporation Entities and all persons to whom this Policy applies meet their obligations under the provisions of securities laws and stock exchange rules by establishing a process for the timely disclosure of all Material Information (as defined in Section 7.1 of this Policy), ensuring that all persons to whom this Policy applies understand their obligations to preserve the confidentiality of Undisclosed Material Information (as defined in Section 11.1 of this Policy) and ensuring that all appropriate parties who have Undisclosed Material Information are prohibited from Insider Trading (as defined in Section 16.1 of this Policy) and Tipping (as defined in Section 11.4 of this Policy) under applicable law, stock exchange rules and this Policy. This Policy covers disclosures in documents filed with the securities regulators and written statements made in the Corporation’s annual and quarterly reports, news releases, letters to shareholders, presentations by directors, officers, employees, consultants or contractors of the Corporation Entities and information contained on the web sites of the Corporation Entities 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 speeches, press conferences and conference calls.
- 3.2 The Corporation must comply with two sets of rules regarding the timely disclosure of Material Information to the public:
- securities laws governing timely disclosure, continuous disclosure, confidentiality and insider trading; and
  - the timely disclosure obligations under the rules of the TSX Venture Exchange (the “**TSXV**”), which expands the requirements of the securities laws,
- (collectively referred to as the “**Disclosure Rules**”).

#### 4. TO WHOM THIS POLICY APPLIES

4.1 This Policy applies to any person or entity “in a special relationship with the Corporation”, which means any of the following persons or entities:

1. Each Insider of the Corporation. An “**Insider**” means any person or entity that:
  - (i) is a director or senior officer of a Corporation Entity (a “senior officer” is a chair or a vice-chair of a board of directors, a chief executive officer, a chief operating officer, a chief financial officer, a president, a vice-president, a secretary, a treasurer, an assistant treasurer and a general manager, or any other individual who performs such functions for an issuer similar to those normally performed by an individual occupying any such office and also includes each of the five highest paid employees of the Corporation Entities, including any individual referred to above);
  - (ii) beneficially owns, directly or indirectly, more than 10% of the voting securities of the Corporation or who exercises control or direction over more than 10% of the votes attached to the voting securities of the Corporation or a combination of both carrying more than 10% of the votes attached to the voting securities of the Corporation (a “**10% Shareholder**”); or
  - (iii) is a director or senior officer of an entity that is itself a 10% Shareholder.
  
2. Any person or entity that is an Affiliate<sup>1</sup> or Associate<sup>2</sup> of,
  - (a) the Corporation,
  - (b) a person or company that is proposing to make a take-over bid, as defined in the Part XX of the *Securities Act* (Ontario), for the securities of the Corporation, or

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<sup>1</sup> An entity is an “**Affiliate**” of another entity if one of them is the subsidiary of the other or if both are subsidiaries of the same entity or if each of them is controlled by the same person or entity. For these purposes, an entity will be deemed to be a subsidiary of another entity if (i) it is controlled by, (A) that other, or (B) that other and one or more entities each of which is controlled by that other, or (C) two or more entities, each of which is controlled by that other; or (ii) it is a subsidiary of an entity that is the other’s subsidiary. Further, for these purposes, a person or entity (the “**First Person**”) is considered to “control” an entity (the “**Second Person**”) if (a) the First Person, beneficially owns or directly or indirectly exercises control or direction over securities of the Second Person carrying votes which, if exercised, would entitle the First Person to elect a majority of the directors (or trustees or similar officials) of the Second Person, unless the First Person holds the voting securities only to secure an obligation, (b) the Second Person is a partnership, other than a limited partnership, and the First Person holds more than a 50% interest in the partnership or (c) the Second Person is a limited partnership and the First Person is the general partner of the Second Person.

<sup>2</sup> An “**Associate**” of a person or entity means (a) any entity of which such person or entity beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of the entity for the time being outstanding, (b) any partner of that person or entity, (c) any trust or estate in which such person or entity has a substantial beneficial interest or as to which such person or entity serves as trustee or in a similar capacity, (d) any relative of that person who resides in the same home as that person, (e) any person who resides in the same home as that person and to whom that person is married or with whom that person is living in a conjugal relationship outside marriage, or (f) any relative of a person mentioned in item (e) who has the same home as that person.

(c) a person or company that is proposing to be a party to a reorganization, amalgamation, merger or arrangement or similar business combination with the Corporation or to acquire a substantial portion of its property.

3. Any person or entity that is engaging in or proposes to engage in any business or professional activity with or on behalf of any Corporation Entity or with or on behalf of a person or entity described in item 2(b) or (c) above.
4. Any person who is a director, officer or employee of a Corporation Entity or of a person or entity described in item 2(b) or (c) or item 3 above.
5. Any person or entity that learns of Material Information with respect to the Corporation Entities while the person or entity was a person or entity described in any of the foregoing items.
6. Any person or entity that learns of Material Information with respect to the Corporation Entities from any other person or entity described in any of the foregoing items, including a person or entity described in this item, and knows or ought reasonably to have known that the other person or entity is a person or entity in a special relationship with the Corporation.

## 5. RESPONSIBILITY FOR THIS POLICY

- 5.1 The Corporate Governance, Nomination and Compensation Committee of the Board (the “**Governance Committee**”) is responsible for adopting and periodically reviewing and updating this Policy.
- 5.2 Management has the responsibility for ensuring that this Policy is properly communicated across the Corporation Entities, that the directors, officers, employees, consultants and contractors are educated with respect to this Policy and the related controls and procedures, that this Policy remains effective in design and in operation, and that any violation of this Policy is properly addressed and remedial action is taken as appropriate.

## 6. INDIVIDUAL(S) WHO ARE AUTHORIZED TO SPEAK ON BEHALF OF THE CORPORATION ENTITIES

- 6.1 Only the Corporation’s Chief Executive Officer is authorized to communicate with analysts, the media and investors on behalf of the Corporation Entities. The Governance Committee may from time to time determine to add additional authorized spokespersons, either in respect of specific areas or all matters. If additional spokespersons are so appointed, this Policy will be revised accordingly.
- 6.2 An authorized spokesperson may, from time to time, designate in writing, with the approval of the Governance Committee, other person(s), to speak on behalf of one or more of the Corporation Entities as back-ups or to respond to specific inquiries. The spokesperson will advise the directors of the Corporation that such a delegation has been made.
- 6.3 Any person to whom this Policy applies who is approached by the media, an analyst, investor or any other member of the public to comment on the affairs of any Corporation Entity, must refer all inquiries to an authorized spokesperson and must immediately notify an authorized spokesperson that the approach was made.

## 7. DISCLOSURE OF MATERIAL INFORMATION

- 7.1 Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell a security. “**Material Information**” consists of both “material facts” and “material changes”. A “**material fact**” means a fact in respect of one (or more) of the Corporation Entities that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities of the Corporation. A “**material change**” means a change in the business, operations or capital of one (or more) of the Corporation Entities that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Corporation and includes a decision to implement such a change if such a decision is made by the directors of the Corporation, or by senior management who believe that confirmation of the decision by the directors of the Corporation is probable.
- 7.2 Any person to whom this Policy applies who becomes aware of information that has the possibility of being Material Information must immediately disclose that information to either the Chief Executive Officer, the Chairman of the Board or the Chief Financial Officer of the Corporation. Schedule “A” attached hereto lists examples of information that may constitute Material Information.
- 7.3 Material Information is required to be disclosed immediately via news release. The Governance Committee, in consultation with the directors of the Corporation and others as appropriate, will determine what is deemed to be Material Information and the appropriate public disclosure. Disclosure must include any information the omission of which would make the rest of the disclosure misleading, and unfavourable material information must be disclosed as promptly and completely as favourable information. Disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure by the Corporation contained a material error at the time it was given.
- 7.4 In certain circumstances, the Corporation’s Chief Executive Officer, in consultation with the Chairman of the Board and external legal counsel, may determine that the disclosure of Material Information would be unduly detrimental to the Corporation (for example if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the Chief Executive Officer, in consultation with the Chairman of the Board and external legal counsel, determines that it is appropriate to publicly disclose. In such circumstances, the Chief Executive Officer, in conjunction with external legal counsel, will cause the appropriate confidential filings to be made with the applicable securities regulators, and periodically review their decision to keep the information confidential and advise the applicable securities regulators of the decision.
- 7.5 News releases disclosing Material Information must be transmitted to the TSXV, relevant regulatory bodies and major news wire services that disseminate financial news to the financial press and to daily newspapers in Canada that provide regular coverage of financial news.

## 8. ELECTRONIC COMMUNICATIONS AND WEB SITES

- 8.1 This Policy applies to all forms of electronic communications and the web sites of the Corporation Entities. The Corporation has developed and will maintain a web site ([www.sigmali.com](http://www.sigmali.com)) where all documents provided under timely disclosure requirements, as well as other investor relations information, will be made publicly available. Disclosure on the Corporation’s web site alone does not constitute adequate disclosure of information that is considered material non-public information for purposes of the Disclosure Rules.
- 8.2 All information posted on the Corporation’s web site must be factual, accurate, up to date and complete, as well as presented in a consistent manner. Management must provide oversight to the integrity of information provided on the Corporation’s web site. All timely disclosure and material information documents are to be posted on the Corporation’s website as soon as possible after release by the news wire service or filing with the securities regulators. No Material Information may be posted on the web site that has not first been publicly disclosed in compliance with Disclosure Rules. Any supplemental information provided at briefings to analysts and institutional investors will also be posted on the web site.

- 8.3 The Corporation's web site must clearly distinguish between investor relations information and promotional material. All data posted on the web site, including text and audiovisual material, must indicate the currency of such material, and any material changes in information must be updated immediately. The Corporation must maintain a log indicating the date that Material Information is posted and/or removed from its web site. The minimum retention period for Material Information on the web site will be two years.
- 8.4 News releases must be posted on the Corporation's web site immediately after dissemination through a wire service. The "In The News" (or analogous) page of the website will include a notice that advises readers that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases.
- 8.5 It is important to note that it would be inconsistent with the Corporation's obligations under Disclosure Rules to have the web site of any other Corporation Entity contain information which is inconsistent with the information contained in the Corporation's website (including through containing Material Information which is not found at the Corporation's web site).
- 8.6 Management must approve all links from the Corporation Entities' web sites to a third- party website. Any such links are to include a notice that advises the reader that he or she is leaving the Corporation's web site and that the Corporation is not responsible for the content of the other site.

## **9. INTERNET CHAT ROOMS AND BULLETIN BOARDS**

- 9.1 Directors, officers, employees, consultants and contractors of the Corporation Entities must not discuss or post any information relating to any Corporation Entity or trading in securities of the Corporation in Internet chat rooms, newsgroups or bulletin boards.
- 9.2 Directors, officers, employees, consultants and contractors of the Corporation Entities should advise the Chief Executive Officer or the Chief Financial Officer of the Corporation if they are aware of any discussion of information relating to any Corporation Entity in a chat room, newsgroup or bulletin board.

## **10. RUMOURS**

- 10.1 In general, no Corporation Entity should comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. Spokespersons will respond consistently to those rumours, saying "it is our policy not to comment on market rumours or speculation." No exceptions are permitted to this general rule, as inconsistent practices may constitute Tipping (which is described in Section 11 of this Policy).
- 10.2 When market activity indicates that trading is being unduly influenced by rumours, the TSXV or a securities regulatory authority may request that the Corporation make a statement in response to a market rumour. In such circumstances, the Governance Committee must consider the matter and make a recommendation to the Corporation's Chief Executive Officer, as to the nature and content of any response on behalf of the Corporation.
- 10.3 Where a rumour is correct, in whole or in part, or where Material Information has been inadvertently leaked and appears to be affecting trading activity of the Corporation's securities, immediate disclosure of the relevant Material Information must be made by the Corporation through the issuance of a news release. Where appropriate, the Corporation should request from the TSXV that trading be halted pending the issuance of the news release.

## **11. CONFIDENTIALITY OF UNDISCLOSED MATERIAL INFORMATION**

- 11.1 “Undisclosed Material Information” of the Corporation is Material Information about the Corporation Entities that has not been “Generally Disclosed”: that is, disseminated to the public by way of a news release together with the passage of a reasonable amount of time (at least one clear business day, unless otherwise advised that the period is longer or shorter, depending on the circumstances) for the public to analyze the information. If, at any time or in any circumstance, confidential Material Information is inadvertently divulged in a way that results in selective disclosure to any member of the investment community, management must initiate a process to ensure full public disclosure and dissemination.
- 11.2 Any person to whom this Policy applies and who has knowledge of Undisclosed Material Information must treat the Material Information as confidential until the Material Information has been Generally Disclosed.
- 11.3 Undisclosed Material Information should not be disclosed to anyone except in the necessary course of business. If Undisclosed Material Information has been disclosed in the necessary course of business, anyone so informed must clearly understand that it is to be kept confidential and, in appropriate circumstances, execute a confidentiality agreement. Schedule “B” attached hereto lists circumstances where securities regulators believe disclosure may be in the necessary course of business. When in doubt, all persons to whom this Policy applies must consult with the Chief Executive Officer or the Chief Financial Officer of the Corporation to determine whether disclosure in a particular circumstance is in the necessary course of business. For greater certainty, disclosure to analysts, institutional investors, other market professionals and members of the press and other media will not be considered to be in the necessary course of business.
- 11.4 “Tipping”, which refers to the disclosure of Undisclosed Material Information to third parties outside the necessary course of business, is prohibited.
- 11.5 In order to prevent the misuse of inadvertent disclosure of Undisclosed Material Information, the procedures set forth below should be observed at all times:
- documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who “need to know” that information in the necessary course of business and code names should be used if necessary;
  - confidential matters should not be discussed in places where the discussion may be overheard;
  - transmission of documents containing Undisclosed Material Information by electronic means should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions such as a dedicated server;
  - unnecessary copying of documents containing Undisclosed Material Information must be avoided and extra copies of documents must be promptly removed from meeting rooms and work areas at the conclusion of the meeting and must be destroyed if no longer required; and
  - access to confidential electronic data should be restricted through the use of passwords.

## 12. QUIET PERIOD

- 12.1 Each period beginning on the last day of each fiscal quarter and each fiscal year, and ending when the earnings for that quarter or year have been Generally Disclosed by way of a news release, will be a “Quiet Period”. During a Quiet Period, spokespersons must not provide any future-oriented information relating to the business and affairs of any Corporation Entity. Spokespersons are also prohibited from providing any future oriented information about the prospective business, operations or capital of any Corporation Entity, including future-oriented financial information (as that term is defined under applicable securities law) (“Forward-Looking Information”) about expected revenues, net income or profit, earnings per share, expenditure levels, and other information commonly referred to as earnings guidance (“Earnings

**Guidance**”) or comments with respect to the financial results for the current fiscal quarter or current fiscal year. Notwithstanding these restrictions, the Corporation may Generally Disclose Forward- Looking Information during the Quiet Period when the Forward-Looking Information constitutes Undisclosed Material Information. During a Quiet Period, spokespersons may respond to unsolicited inquiries about information either that is not Material Information or that has been Generally Disclosed.

### **13. AVOIDING SELECTIVE DISCLOSURE**

**13.1** When participating in shareholder meetings, news conferences, analysts’ conferences and private meetings with analysts, spokespersons must only disclose information that either is not Material Information or is Material Information that has previously been Generally Disclosed. For greater certainty, acceptable topics of discussion include the Corporation’s business prospects (subject to the provisions of Section 15 of this Policy), the business environment, management’s philosophy and long-term strategy. Any selective disclosure of Undisclosed Material Information, including Earnings Guidance, is not permitted.

**13.2** To protect against selective disclosure, spokespersons who are participating in shareholder meetings, news conferences, analysts’ conferences or private meetings with analysts should, wherever reasonably practicable to do so, script their comments and prepare answers to anticipated questions in advance of the meeting or conference and have the scripts reviewed by the Corporation’s Chief Financial Officer.

It is important to ensure that the scripts are carefully reviewed before the meeting or conference, and any Undisclosed Material Information that is contained in the script must be Generally Disclosed before the meeting or conference or deleted from the script if it is premature for the information to be Generally Disclosed.

**13.3** After each shareholder meeting, news conference, analysts’ conference or private meeting with analysts, the Corporation’s participants should normally meet and review the disclosures made during the course of the meeting or conference to determine if any Undisclosed Material Information was unintentionally disclosed.

**13.4** If Undisclosed Material Information was disclosed, the participants must advise a member of the Governance Committee, who will take immediate steps to ensure that the information is Generally Disclosed.

**13.5** Pending the Material Information being Generally Disclosed, the Corporation must contact the parties to whom the Material Information was disclosed and inform them (i) that the information is Undisclosed Material Information and (ii) of their legal obligations with respect to the Material Information.

### **14. ANALYST REPORTS**

**14.1** It is the Corporation’s policy to review, upon request, analysts’ draft research reports or models. In such cases, management comments should be limited to identifying factual information that has been Generally Disclosed and that may affect an analyst’s model, and to pointing out inaccuracies or omissions with reference to information that has been Generally Disclosed. Any comments must contain a disclaimer that the report was reviewed for factual accuracy only. No comfort or guidance should be expressed on the analysts’ earnings models or earnings estimates and no attempt should be made to influence an analyst’s opinion or conclusion.

**14.2** Analysts’ reports must not be circulated by directors, officers, employees, consultants or contractors of the Corporation Entities except when in the necessary course of business, nor may they be posted on, or linked from the Corporation’s website.

## 15. FORWARD-LOOKING INFORMATION

- 15.1 The Corporation may from time to time give Earnings Guidance or any other Forward-Looking Information through voluntary disclosure by way of a news release, provided that the cautionary language described in Section 15.2 below accompanies the information.
- 15.2 If Forward-Looking Information is Generally Disclosed:
- the information must be clearly stated to be forward-looking;
  - the factors and assumptions that were used to arrive at the Forward-Looking Information must be clearly described;
  - the factors that could cause actual results to differ materially must be clearly stated, and should be presented with a reasonably possible range of outcomes, a sensitivity analysis or other qualitative analysis that will assist in assessing the related risks; and
  - the information must be accompanied by a statement that disclaims the Corporation's intention or obligation to update or revise the Forward-Looking Information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Corporation may choose to issue a news release explaining the reasons for the difference.
- 15.3 It is important to remember that (as confirmed in Court decisions and the decisions and published policies of various regulatory authorities) "boilerplate" generic risk or exclusionary warnings accompanying Forward-Looking Information may not protect the Corporation, whereas complying with the requirements of Section 15.2 above should.

## 16. TRADING WINDOWS AND PRE-CLEARANCE PROCEDURES

- 16.1 "Insider Trading", which refers to a person or entity "in a special relationship with the Corporation" (as defined in Section 4.1 of this Policy) purchasing or selling or otherwise monetizing securities of the Corporation while in possession of Undisclosed Material Information, is prohibited. The same restrictions apply to trading in the securities of counter-parties in negotiations of material potential transactions with the Corporation Entities until the material transaction has been fully Generally Disclosed.
- 16.2 Subject to Section 16.3 below, persons or entities "in a special relationship with the Corporation" are not permitted to purchase or sell or otherwise monetize securities of the Corporation except during a "Trading Window", provided there is no "Blackout Period" in effect.

"Trading Window" means: (i) the period of time beginning on the second day on which the TSXV is open for trading and on which the trading in the Corporation's securities is not halted or suspended after the financial results for a fiscal quarter or fiscal year have been disclosed by way of a news release and ending on the last day of the next fiscal quarter; and (ii) any other period designated by the Governance Committee and communicated to those persons to whom this Policy applies. If the Trading Window ends on a weekend or statutory holiday, it will be deemed to have ended on the last business day before the weekend or statutory holiday.

"Blackout Period" generally means the period beginning on the last day of each fiscal quarter and each fiscal year, and ending when the earnings for that quarter or year have been Generally Disclosed and includes: (i) any time when trading securities of the Corporation is prohibited pursuant to this Policy; and (ii) any other period (i.e. before and/or after a scheduled material announcement) designated by the Governance Committee and communicated to those persons to whom this Policy applies (or, where



appropriate, a narrower group of persons who may have knowledge of special circumstances such as individuals working on a potential material transaction).

- 16.3 Notwithstanding Section 16.2 above, persons “in a special relationship with the Corporation” may purchase or sell securities during a Blackout Period with the prior written consent of the Chief Executive Officer or the Chief Financial Officer of the Corporation (each, a “**Trading Approval Person**”). A Trading Approval Person will grant permission to purchase or sell during a Blackout Period only in the case of unusual, exceptional circumstances. Unusual, exceptional circumstances may include the sale of securities in the case of severe financial hardship or where the timing of the sale is critical for significant tax planning purposes.
- 16.4 The trading prohibitions in Sections 16.1 and 16.2 above do not apply to the acquisition of securities through the exercise of options or other convertible securities, but do apply to the sale of the securities acquired through such exercise.

## 17. INSIDER TRADE REPORTS

- 17.1 Insiders of the Corporation are required to file an initial insider report within ten days of becoming an Insider and subsequent insider reports within five days following any trade of securities of the Corporation. If an Insider of the Corporation does not own or have control or direction over securities of the Corporation, or if ownership or direction or control over securities of the Corporation remains unchanged from the last report filed, a report is not required.
- 17.2 In addition, the persons to which this Policy applies are required to file, pursuant to applicable insider reporting requirements, insider reports reporting transactions in securities convertible or exchangeable for common shares of the Corporation to be issued to represent voting rights in the Corporation that accompany securities convertible into or exchangeable for common shares.
- 17.3 If an Insider has made a trade and requires assistance with the filing of an insider report, such person should contact the Corporation’s ● Officer (●@●.com or [phone number]), who will arrange for assistance with the preparation and filing of an insider report.

## 18. DISCLOSURE RECORD

The Corporation must maintain a five-year file containing all public information about the Corporation, including continuous disclosure documents, news releases, analysts’ reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors and newspaper articles.

## 19. COMMUNICATION AND ENFORCEMENT

- 19.1 This Policy extends to all directors, officers, employees, consultants and contractors of the Corporation Entities. New directors, officers, employees, consultants and contractors are to be provided with a copy of this Policy and are to be educated about its importance. The revised version of this Policy should be circulated to all directors, officers, employees, consultants and contractors whenever changes are made.
- 19.2 Any employee who violates this Policy may face disciplinary action up to and including termination of his or her employment with any of the Corporation Entities without notice. The violation of this Policy may also violate certain securities laws. If it appears that an employee may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.
- 19.3 Any questions or concerns with respect to this Policy should be referred to the Chief Executive



Officer or the Chief Financial Officer of the Corporation.

## SCHEDULE "A"

### Examples of Information That May Be Material

(Based on National Policy 51-201 and  
the TSX Venture Exchange Corporate Finance Manual)

#### Changes in "corporate" structure

- changes in share ownership that may affect control of the Corporation
- changes in corporate structure such as 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 common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in a company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to the rights of security holders

#### Changes in financial results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any period
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the assets of Corporation Entities
- any material change in the accounting policies of a Corporation Entity

#### Changes in business and operations

- any development that affects the resources, technology, products or markets of Corporation

#### Entities

- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contractor business
- changes to the Board or executive management of the Corporation or another Corporation Entity, including the departure of the Corporation's CEO, CFO, COO or president (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Corporation's securities or their movement from one quotation system or exchange to another

#### Acquisitions and dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other entities, including a take-over bid for, or merger with, another entity

#### Changes in credit arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the assets of a Corporation Entity
- 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

## Schedule "B"

### Examples of Disclosures That May Be Necessary in the Course Of Business

(Based on National Policy 51-201)

1. Disclosure to:
  - vendors, suppliers, or strategic partners on issues such as research and development, sales and marketing, and supply contracts;
  - employees, officers, and Board members;
  - lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to Corporation Entities;
  - parties to negotiations;
  - labour unions and industry associations;
  - government agencies and non-governmental regulators; and
  - credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available).
2. Disclosure in connection with effecting a take-over bid, business combination or acquisition.
3. Disclosures in connection with a private placement.
4. Communications with controlling shareholders, in certain circumstances.