



POLICY 3.2

FILING REQUIREMENTS AND CONTINUOUS DISCLOSURE

Scope of Policy

This Policy describes continuous disclosure requirements applicable to every Issuer and identifies filing requirements that can arise in connection with transactions not specifically dealt with by other Exchange policies. Unless specifically exempted or modified by another Policy, an Issuer must comply with this Policy.

The main headings in this Policy are:

1. Financial Statements and Management Discussion & Analysis
2. Documents Required by Securities Laws
3. Shareholder Meetings
4. Business Acquisition Reports
5. Security Issuances, Treasury Orders and Legending of Hold Periods
6. Change in Management or Control
7. Personal Information Forms and Declarations
8. Material Agreements - Escrow/Pooling Arrangements
9. Changes in Constating Documents and Security Reclassifications (other than Name Changes, Stock Splits and Consolidations)
10. Change of Auditor or Change of Year End
11. Dividends
12. Redemption, Cancellation or Retirement of Listed Shares
13. Corporate Information and Shareholder Communication
14. Filing of Documents through SEDAR
15. Trading in U.S. Dollars

1. Financial Statements and Management Discussion and Analysis

- 1.1 An Issuer must file annual and interim financial statements as well as annual and interim Management Discussion & Analysis (“MD & A”) with the applicable Securities Commissions in accordance with National Instrument 51-102 - *Continuous Disclosure Obligations* (“NI 51-102”). These filings are not required to be made with the Exchange.
- 1.2 An Issuer must deliver the financial statements and MD & A referred to at subsection 1.1, in accordance with NI 51-102, to all its securityholders, regardless of the jurisdictions in which they reside.

2. Documents Required By Securities Laws

- 2.1 Other than financial statements and MD & A to be filed pursuant to Securities Laws requirements, every Issuer must file with the Exchange a copy of any document or agreement which pursuant to applicable Securities Laws, is filed with any Securities Commission or similar regulatory body or any other applicable stock exchange or market, including any material change report, notice of sale by a Control Person, early warning report, offering memorandum, take-over bid circular, director’s circular or annual information form.

3. Shareholder Meetings

- 3.1 Every Issuer must hold an annual meeting of its Shareholders by the earlier of the time required by applicable corporate or securities legislation and 18 months after:
 - (a) the date of its incorporation; or
 - (b) the date of its certificate of amalgamation, in the case of an amalgamated Issuer,and subsequently thereafter in each year not more than 15 months after its last preceding annual meeting of Shareholders or such earlier date as required by applicable corporate or Securities Laws.
- 3.2 Every Issuer must, concurrently with giving notice of a meeting of Shareholders, send a form of proxy and an information circular in the manner prescribed by Securities Laws to each holder of a Listed Share and each other Shareholder who is entitled to receive notice of the meeting whether or not they are resident in the jurisdiction in which the Issuer is a reporting Issuer. Every Issuer must comply with the requirements of applicable corporate and Securities Law governing proxies and Shareholder meetings.
- 3.3 Every Issuer must comply in all respects with the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, including all filing and notice deadlines therein.

- 3.4 Every Issuer must file with the Exchange a copy of each notice of meeting, form of proxy, information circular, or other document except for annual and interim financial statements, annual and interim MD & A and annual reports, provided to its Shareholders.
- 3.5 If a proposed transaction to be submitted to Shareholders for approval also requires the acceptance of the Exchange, the Issuer must obtain this acceptance before mailing the meeting materials to the Shareholders. If this is impracticable due to unavoidable time restrictions, the Exchange must be advised in advance of the proposed mailing, and the information circular must clearly state that the proposed transaction is subject to the acceptance of the Exchange (or regulatory approval), and that the Issuer will not proceed with the transaction if regulatory acceptance or approval is not obtained.
- 3.6 An Issuer which has adopted or proposes to adopt procedures which may have the effect of entrenching management should consult with the Exchange in advance and obtain prior Exchange Acceptance. See Policy 3.1 - *Directors, Officers, Other Insiders & Personnel and Corporate Governance*.

4. Business Acquisition Reports

- 4.1 Subject to subsection 4.2, an Issuer effecting a significant acquisition, as that concept is defined in National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”), must file a business acquisition report (“BAR”) prepared in accordance with NI 51-102F4 *Business Acquisition Report*, within 75 days after the date of the acquisition.
- 4.2 An Issuer will not be required to file a BAR if the Issuer files its own Information Circular or that of another Person or a Filing Statement prepared in accordance with Exchange Requirements and
- (a) the Information Circular or Filing Statement, either:
 - (i) contains the information and financial statements prescribed by section 14.2 of Form 51-102F5 *Information Circular* concerning the acquisition of a business or related business, or
 - (ii) is an Information Circular or Filing Statement prepared in connection with a Qualifying Transaction, as prescribed by Policy 2.4 and the Issuer complies with Exchange Requirements in respect of the Qualifying Transaction;
 - (b) the date of the acquisition is within nine months of the date of the Information Circular or Filing Statement; and
 - (c) between the date of the Information Circular or Filing Statement and the date of the acquisition there has been no material change in the terms of the acquisition from that disclosed in the Information Circular or Filing Statement.

5. Security Issuances, Treasury Orders and Legending of Hold Periods

5.1 Security Issuances

Unless specifically provided for in Exchange Requirements, an Issuer must not issue securities without the prior acceptance of the Exchange.

5.2 Treasury Orders - General

- (a) Every Issuer must require that its transfer agent provide to the Exchange, within five business days following the issuance of any securities, a copy of the applicable treasury order.
- (b) Each treasury order and reservation order submitted to the Issuer's transfer agent must contain the following information:
 - (i) the date of the treasury order;
 - (ii) the name and municipality of the transfer agent;
 - (iii) full particulars of the number and type of securities being issued or reserved for issuance;
 - (iv) the issue price per security or the deemed issue price;
 - (v) the balance of issued shares of the Issuer following the issuance;
 - (vi) the names and addresses of all parties to whom the securities are being issued or are reserved for issuance;
 - (vii) the date of the applicable Exchange Acceptance of the application for issuance of such securities and, if applicable, the Exchange application/file number;
 - (viii) for a treasury order, confirmation that the Issuer has received full payment for the securities and that the securities are validly issued as fully paid and non-assessable;
 - (ix) instructions that the wording of any legend required by applicable Securities Law or by section 5.3 of this Policy be imprinted on the face of the certificate (or if the face of the certificate has insufficient space, on the back of the certificate with a reference on the face of the certificate to the legend); and
 - (x) the legend required by section 5.3.

- (c) Every treasury order must be signed by at least two directors or senior officers of the Issuer. The names and titles of each signatory must be printed beneath their respective signatures.

5.3 Hold Period Legends

- (a) Securities subject to an Exchange Hold Period must be legended, except in the case of securities issued in a Prospectus offering, qualified by Prospectus, issued under a securities exchange take-over bid or pursuant to an amalgamation, merger or other statutory procedure. Each Issuer must ensure that securities issued from treasury that are represented by a certificate, must bear an Exchange legend stating:

“Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date].”

- (b) The date to be inserted in the legend will be the date following the fourth month after the distribution date, except in the case of:
 - (i) stock options granted pursuant to Policy 4.4, where the date will be the date following the fourth month after the grant of the option.
- (c) For securities which are convertible, exercisable or exchangeable into Listed Shares, the legend must be modified to indicate that the Resale Restriction also applies to the underlying Listed Shares and that the hold period will continue, in either case, until the date following the fourth month after the initial distribution date of the convertible, exercisable or exchangeable security.
- (d) The Exchange legending requirement is in addition to, and does not replace any Resale Restrictions imposed by Securities Law, including any legending of the security certificate. The Exchange Hold Period will run concurrently with a hold period under Securities Law but may commence at a different time than under Securities Law.

5.4 Trading of Legended Shares

Legended shares are generally not permitted to trade, however the Exchange may consider applications to trade legended shares where Listed Shares bearing a legend trade as a separately listed class of shares with a special symbol to identify the shares as legended (e.g. “ABC.S” for Regulation S legended shares). Legended Listed Shares may trade separately under the special symbol from Listed Shares of the same class of the Issuer that are not legended, or legended Listed Shares may be the only shares of the Issuer listed on the Exchange. The number of legended shares in a class of shares and the nature of the legend will determine whether the legended shares will be listed. If legended shares are not listed, then they are not good settlement for trades of unlegended Listed Shares until the legend is removed.

6. Change in Management or Control

- 6.1 An Issuer must not agree to be party to a Change of Control or any transactions that may reasonably be expected to result in a Change of Control unless the agreement is made subject to Exchange Acceptance.
- 6.2 In certain circumstances, a Change of Control may form part of a Reactivation, Reorganization, Change of Business or Reverse Takeover, in which case the Issuer must comply with all of the requirements of the applicable policies. See Policy 2.6 - *Inactive Issuers and Reactivation* and Policy 5.2 - *Changes of Business and Reverse Takeovers*.
- 6.3 When an agreement in principle is reached (or as soon as the Issuer becomes aware that an agreement in principle reasonably appears to have been reached) which will result or may reasonably be expected to result in a Change of Control of the Issuer, or when any event occurs which will result in the addition to or removal from the board of directors or management of any individuals, the Issuer must issue a news release, which complies in all respects with Policy 3.3 - *Timely Disclosure*, describing:
- (a) the transaction(s) resulting in the Change of Control; or
 - (b) the transactions resulting in any Change of Management and identifying each Person who has ceased to act as director or senior officer, including the position previously held by that Person and identifying any Person who will be appointed or elected to a new position as a director or senior officer of the Issuer, including the position to be held and a brief description of such Person’s background and experience; and
- file with the Exchange a letter notice describing the proposed transaction.
- 6.4 Before the Exchange will accept any Change of Control or a Change of Management, the Exchange can require certain supporting documents to be filed, including any or all of the following:
- (a) evidence of (disinterested) Shareholder approval;

- (b) a Sponsor Report;
 - (c) a disclosure document such as an Information Circular, Filing Statement or any other document prescribed by the Exchange; and
 - (d) Personal Information Forms or, if applicable, Declarations.
- 6.5 The Exchange can also require a trading halt to provide time for dissemination of information. See section 7 for the requirement to submit Personal Information Forms.

7. Personal Information Forms and Declarations

- 7.1 Subject to section 7.7, a duly completed Personal Information Form (“PIF”) (Form 2A), must be submitted to the Exchange before:
- (a) the Exchange will accept the involvement of any Person with an Issuer in the capacity of an Insider; or
 - (b) any Person can perform Investor Relations Activities for an Issuer.
- 7.2 An Issuer must immediately advise the Exchange when any director or senior officer of the Issuer or any Person engaging in Investor Relations Activities on its behalf is added or removed.
- 7.3 A new PIF must be filed where a material change has occurred in respect of sections 6, 7, 8 or 9 of the PIF.
- 7.4 In its discretion and at any time, the Exchange can require an updated duly completed PIF for any Person involved with an Issuer.
- 7.5 If a PIF is requested by the Exchange from a Person who is not an individual, a PIF must be submitted for each Insider of that non-individual entity.
- 7.6 Acceptance for filing by the Exchange of a PIF does not constitute Exchange Acceptance of the proposed Person.
- 7.7 A duly completed Declaration (Form 2C1) may be submitted to the Exchange, in lieu of a PIF, where:
- (a) a Person has filed a PIF within the 36 month period prior to the filing of the Declaration, with either the Exchange or the Toronto Stock Exchange, and
 - (b) the information in that PIF has not changed.

8. Material Agreements - Escrow/Pooling Arrangements

8.1 General – Material Agreements

Each Issuer must promptly notify the Exchange by letter notice of any material agreement to be entered into or terminated and, if requested by the Exchange, must provide a copy of the agreement and other requested documents or information. If the agreement or termination of the agreement constitutes a Material Change, the Issuer must issue a news release pursuant to applicable Securities Laws and Policy 3.3 - *Timely Disclosure*.

8.2 Material agreements include agreements required to be filed pursuant to the policies in this Manual, as well as any other material agreements not exempted by a specific policy, including:

- (a) any agreement to issue shares or other securities;
- (b) any agreement to enter into any management contract, investor relations agreement, service agreement not in the normal course of business, and any non-arm's length transaction;
- (c) any capital reorganization;
- (d) any acquisition or disposition of the Company's own securities;
- (e) any change in the beneficial ownership of the shares or other securities of the Company which may materially affect the control of the Company;
- (f) any loan or advance of funds to any Person;
- (g) any change in the undertaking of the Company;
- (h) any mortgaging, hypothecating or charging in any way of the Company's assets; and
- (i) the establishment of a special relationship with a registrant.

8.3 Escrow or Pooling Agreements

Each Issuer which is or becomes aware of any private agreement(s) by any one or more of its Shareholder(s) to voluntarily escrow or pool any of the Issuer's securities must promptly disclose to the Exchange the existence of the agreement and if material to investors, must disclose the existence of such an agreement to its Shareholders as required by applicable Securities Laws.

8.4 Upon receiving notice from the Issuer, the Exchange may accept or reject the terms of the material agreement.

9. Changes in Constatng Documents and Security Reclassifications (other than Name Changes, Stock Splits and Consolidations)

- 9.1 An Issuer must not implement a security reclassification or an amendment to its articles, by-laws, memorandum or other constating documents until it has received conditional acceptance from the Exchange.
- 9.2 The Issuer must file all documents requested by the Exchange, before or in connection with granting conditional acceptance, including:
- (a) one copy of the applicable provisions of the Information Circular (draft or final) which has been or will be sent to the Issuer's Shareholders in connection with the approval of the reclassification or amendment; and
 - (b) a draft copy of the revised articles, by laws, memorandum or constating documents.
- 9.3 As soon as possible after effecting the amendment, the Issuer must file:
- (a) an opinion of counsel that all the necessary steps have been taken to validly effect the amendment or security reclassification in accordance with applicable law;
 - (b) a new definitive specimen(s) or over-printed share certificate(s) with the ISIN or CUSIP number imprinted thereon, and in the case of a generic certificate, the specimen certificate must be accompanied by a letter from the transfer agent confirming that the generic certificate complies with the requirements of the Security Transfer Association of Canada;
 - (c) a copy of the letter of transmittal to be sent to Shareholders, if applicable; and
 - (d) the fee prescribed by Policy 1.3 - *Schedule of Fees*.

10. Change of Auditor or Change of Year End

- 10.1 Where an Issuer proposes to change its auditor or its fiscal year end, it must comply with the applicable provisions in this regard, as found in National Instrument 51-102 - *Continuous Disclosure Obligations*. This includes complying with all notification requirements and all applicable filing and notification deadlines prescribed therein. See NI 51-102 - *Continuous Disclosure Obligations*.

11. Dividends

- 11.1 For the purposes of Exchange requirements, “dividends” also includes distributions of listed securities other than shares, such as units, to Shareholders.
- 11.2 All Issuers declaring a dividend on Listed Shares must promptly notify the Exchange as soon as the dividend is declared, by filing a Dividend /Distribution Declaration (Form 3E) or a news release containing the same information that is prescribed by Form 3E, with the Exchange via fax or e-mail, at least seven trading days in advance of the dividend record date. For contact information respecting the filing of Form 3E or the equivalent press release, Issuers are referred to Form 3E.
- 11.3 Listed Shares will commence trading on an ex-dividend basis at the opening of trading on the date which is two trading days prior to the record date for the dividend. For example, if the record date for a dividend is a Friday, the shares will commence trading on an ex-dividend basis on the preceding Wednesday (in the absence of statutory holidays).
- 11.4 Where issuers fail to follow the above noted procedure, and as a result, a dispute arises over who is entitled to the payment of the dividend, the Issuer will be liable for the dividend claims made by both the buyers and the sellers of the shares involved.
- 11.5 The declaration of a dividend for any class of Listed Shares is a Material Change in the affairs of the Issuer and requires the issuance of a news release in accordance with the provisions of Policy 3.3 - *Timely Disclosure*.
- 11.6 A news release issued with respect to a dividend declaration must set out, at a minimum, the following information:
- (a) the Issuer’s name;
 - (b) the class of securities on which the dividend is to be paid;
 - (c) the amount payable per security;
 - (d) the record date; and
 - (e) the dividend period (e.g. quarterly, semi-annually, special).
- 11.7 If a dividend involves the issuance of securities (i.e., a stock dividend), the Issuer must apply to list any additional securities issued by way of dividend and must provide for any fractional securities resulting from the dividend.

12. Redemption, Cancellation or Retirement of Listed Shares

- 12.1 An Issuer must notify the Exchange promptly of any corporate or other action which results or may result in the redemption, cancellation or retirement, in whole or in part, of any of its Listed Shares or any security convertible into Listed Shares.

12.2 The redemption, cancellation or retirement of any Listed Shares is a Material Change and requires the issuance of a news release in accordance with Policy 3.3 - *Timely Disclosure*.

13. Corporate Information and Shareholder Communication

13.1 While listed on the Exchange, an Issuer must maintain and ensure that the Exchange is provided with a current address, telephone number, contact person's name and if applicable, facsimile or telecopier number, e-mail address and internet website to which all Shareholder and public inquiries and Exchange communication can be directed.

13.2 An Issuer must file with the Exchange a copy of any materials of any kind, except for annual and interim financial statements, annual and interim MD & A and annual reports, which are sent or provided to the Issuer's Shareholders or the public at the same time those materials are delivered to the Shareholders or the public.

14. Filing of Documents through SEDAR

14.1 In this section, "common filings" means any documents which must be filed by an Issuer with both the Exchange and the applicable Securities Commission(s) and includes:

- Prospectuses;
- Exchange Vetted Prospectuses;
- Short Form Offering Documents;
- notices of Shareholder meetings and all related materials;
- management proxy circulars;
- Information Circulars;
- business acquisition reports;
- issuer bid and take-over bid circulars;
- rights offering circulars;
- Material Change Reports; and
- all supporting materials submitted with or in connection with the above documents.

14.2 An Issuer can submit any common filing to the Exchange by the System for Electronic Document Analysis and Retrieval ("SEDAR"). In effecting a filing with the Exchange, on the SEDAR system, filers must select "TSX Venture Exchange" as a recipient. The recipient categories of "Canadian Venture Exchange -BC" or "Canadian Venture Exchange-AB" are no longer relevant and must not be used.

14.3 All filings done by SEDAR must comply in all respects with National Instrument 13-101 and the SEDAR Filers Manual. Copies of the SEDAR Filers Manual can be obtained by contacting the SEDAR Helpdesk at 1-800-219-5381 or by downloading from the SEDAR Rules and Forms page of the About SEDAR section of the SEDAR internet website (www.sedar.com).

- 14.4 For certain common filings, such as Prospectuses, an individual must manually execute a Certificate of Authentication (SEDAR Form 6) to verify his or her electronic signature. Every Certificate of Authentication must be filed with CDS Inc. within three days after the date the electronic filing of the document was made through SEDAR.
- 14.5 All documents filed through SEDAR must use the SEDAR software and be in the appropriate electronic format, which currently is limited to Adobe Acrobat PDF.
- 14.6 Exchange fees for SEDAR filings may be paid electronically through SEDAR, although payment in this form is not mandatory.
- 14.7 Except in relation to a CPC Prospectus filing, correspondence from the Exchange to the Issuer will not be sent through SEDAR. The current system of fax and/or mail delivery directly to the Issuer or its counsel will continue for any applications filed by SEDAR.
- 14.8 Further information regarding SEDAR may be obtained:
- by contacting the SEDAR helpdesk at 1-800-219-5381
 - by accessing the SEDAR web site (www.sedar.com)
- 14.9 All public information filed and stored on SEDAR can be accessed:
- directly through the SEDAR interface by becoming a SEDAR subscriber
 - via the SEDAR website (www.sedar.com) on the next business day
 - through traditional data vendors

15. Trading in U.S. Dollars

- 15.1 In order to list a security to trade in US dollars or to switch a class of Listed Shares trading in Canadian dollars to trade in US dollars, an Issuer must apply to the Exchange and provide a description of the Issuer and its US operations, a description of how it has been complying with US securities laws (for example, registration status under the Securities Act of 1933, Regulation S and the Securities and Exchange Act of 1934, the name of its US securities counsel and information about his or her firm) and an estimate of the percentage of US Shareholders. Applications will be considered on a case by case basis by the Exchange.
- 15.2 If the Issuer is accepted for US dollar trading, the Exchange will assign a .U suffix to the trading symbol of the Listed Shares that will trade in US dollars. There is no requirement to change the ISIN or CUSIP number, as applicable, or the security code.

- 15.3 The Exchange must give at least three weeks' notice to the clearing and settlement agency before the effective date to switch Listed Shares trading in Canadian dollars to US dollars. The Exchange will also issue an Exchange Bulletin 11 trading days before the effective date, announcing a cash trade period of 10 trading days before the switch to US dollar trading. The Exchange will issue a second Exchange Bulletin on the trading day before the effective date.
- 15.4 For new listings, the 10 trading day cash trade period is not required; however, the applicant Issuer should request trading in US dollars early in the listing application process so consideration of this matter does not delay listing.
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