

13.2.4 TSX – Amendments to Parts IV, VI, and IX, Form 12 and Appendix B of the TSX Company Manual – Notice of Housekeeping Amendments

TORONTO STOCK EXCHANGE

NOTICE OF HOUSEKEEPING RULE AMENDMENTS TO THE TSX COMPANY MANUAL

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 (the “**Protocol**”), Toronto Stock Exchange (“**TSX**”) has adopted, and the Ontario Securities Commission has approved, certain housekeeping amendments (the “**Amendments**”) to Parts IV, VI, and IX, Form 12 – *Notice of Intention to make a Normal Course Issuer Bid* (“**Form 12**”), and Appendix B of the TSX Company Manual (the “**Manual**”). The Amendments are Housekeeping Rules under the Protocol and therefore have not been published for comment. The Ontario Securities Commission has not disagreed with the categorization of the Amendments as Housekeeping Rules.

Reasons for the Amendments

The Amendments relate to non-public interest changes and include fixing typographical errors, clarifying provisions, updating references to securities legislation and section of the Manual, amending language to reflect changes in technology, and the addition of a newly authorized newswire service provider.

Summary of the Non-Public Interest Amendments

	Section of the Manual	Amendment	Rationale
1.	406 – Timely Disclosure – Introduction.	Amend language to correct typographical errors, and update references to securities legislation.	Correct typographical errors, and update references to securities legislation.
2.	411 – Timely Disclosure – Developments to be Disclosed.	Update references to securities legislation.	Update references to securities legislation.
3.	412 – Market Surveillance – Monitoring Trading.	Amend language to correct typographical errors.	Correct typographical errors.
4.	416 – Timely Disclosure – Announcements of Material Information – Pre-Notification to Exchange.	Update the manner in which listed issuers may deliver copies of press releases to Market Surveillance for pre-notification purposes by allowing for delivery via e-mail and through TSX SecureFile, and delete the reference to manual delivery.	Improve delivery efficiency and simplify the process by which a listed issuer may deliver copies of press releases to Market Surveillance and reflect changes in technology and electronic communication.
5.	417 – Timely Disclosure – Announcements of Material Information – Dissemination.	Amend language to correct typographical error.	Correct typographical error.
6.	423.4 – Timely Disclosure – Insider Trading – Law.	Amend language to correct typographical error.	Correct typographical error
7.	423.9 – Timely Disclosure – Electronic Communications Disclosure Guidelines.	Update language relating to the Internet. Amend incorrect references to Parts II and III of the Manual to reflect the appropriate sections.	Update language relating to the Internet. Part II of the Manual has been repealed. The reference to Part III of the Manual (Original Listing Requirements) is not the correct section applicable to the subject matter of Section 423.9 (Electronic Communications Disclosure Guidelines).

	Section of the Manual	Amendment	Rationale
8.	423.10 – Timely Disclosure – Electronic Communications Disclosure Guidelines.	Amend language to correct typographical error, amend language relating to disclosure on a listed issuer’s website, and update language relating to SEDAR.	Amend reference to “AIF” to “Annual Information Form”. Simplify language relating to disclosure on a listed issuer’s website. SEDAR is no longer operated by CDS.
9.	423.11 – Timely Disclosure – Applicable Disclosure Standards.	Amend language to update references to securities legislation.	Update references to securities legislation.
10.	423.12 2(a), 2(d), 3(a), 5, and footnote – Timely Disclosure – Electronic Communication Guidelines.	Amend language to correct typographical errors, update references to securities legislation, and update language relating to the Internet.	Correct typographical errors, and update references to securities legislation. Amend language to reflect changes in technology and Internet use by including social media as a form of Internet use and electronic communication, and, consequently, include definition of “social media” in the definitions footnote.
11.	423.14 – Timely Disclosure – TSX Monitoring of the Internet.	Update language relating to the Internet.	Amend language to reflect changes in technology and Internet use by including social media as a form of Internet use and electronic communication.
12.	607(f)(v) – Private Placements.	Amend language to clarify that with respect to successive private placements and whether security holder approval is required for a proposed private placement, the calculation of a listed issuer’s number of securities outstanding must be made on the date that is prior to the date of closing of the first private placement during the three (3) month period.	Amend the language to reflect, and provide clarity on, the practice used by the TSX with respect to calculating the number of securities of a listed issuer with respect to successive private placements, and the intent of the rule.
13.	611(c) and 611(d) – Distributions of Securities of a Listed Class – Acquisitions.	Delete Section 611(d) and corresponding reference in Section 611(c).	Subject matter (investment funds) is governed by Part XI of the Manual and the various sections of the Manual specifically referenced therein. Section 611(d) is not referenced in Part XI and is therefore not applicable to investment funds.
14.	629(f) – Normal Course Issuer Bids – Special Rules Applicable to Normal Course Issuer Bids (“NCIB”).	Amend language to require a listed issuer to disclose additional information in its public announcement of an NCIB with respect to an NCIB in the previous 12 month period relating to the maximum number of securities sought and approved for purchase, and the manner in which the securities under the prior NCIB were acquired.	Improve transparency in the disclosure provided by listed issuers in their public announcements of an NCIB relating to any securities purchased under an NCIB in the previous 12 months.

	Section of the Manual	Amendment	Rationale
15.	906 – Notifying the Financial Media.	Update language to reflect the manner in which listed issuers may deliver copies of press releases to Market Surveillance by allowing for delivery via e-mail and through TSX SecureFile, and delete reference to manual delivery. Update Market Surveillance contact information.	Improve delivery efficiency and simplify the process by which a listed issuer may deliver copies of press releases to Market Surveillance and to reflect changes in technology and electronic communication. Update Market Surveillance contact information to include TSX SecureFile, e-mail address and fax number.
16.	910(A) – News Services and Publication.	Update section to include the name of a newly authorized and approved newswire service provider.	Include the addition of a newly authorized newswire service provider.
17.	Form 12.	Update Item 7 on Form 12 to disclose additional information with respect to an NCIB in the previous 12 month period relating to the maximum number of securities sought and approved for purchase and the manner in which the securities under the prior NCIB were acquired.	Improve transparency in the disclosure provided by listed issuers relating to any securities purchased under an NCIB in the previous 12 months.
18.	Appendix B – 1.1 – Disclosure Standards for Companies in Engaged in Mineral Exploration, Development & Production – News Releases.	Update language to reflect the manner in which listed issuers may make certain information available by allowing for such information to be obtained by e-mail. Amend language to correct typographical error.	Improve delivery efficiency and simplify the process by which a listed issuer may make certain information available by e-mail and to reflect changes in technology and electronic communication. Correct typographical error.

Text of the Amendments

The Amendments are set out as blacklined text at **Appendix A**. For ease of reference, a clean version of the Amendments are set out at **Appendix B**.

Effective Date

The Amendments become effective on May 11, 2017.

APPENDIX A

BLACKLINES OF NON-PUBLIC INTEREST AMENDMENTS TO THE TSX COMPANY MANUAL

Change #1

B. Timely Disclosure

Introduction

Sec. 406.

It is a cornerstone policy of the Exchange that all persons investing in securities listed on the Exchange have equal access to information that may affect their investment decisions. Public confidence in the integrity of the Exchange as a securities market requires timely disclosure of material information concerning the business and affairs of companies listed on the Exchange, thereby placing all participants in the market on an equal footing.

The timely disclosure policy of the Exchange is the primary timely disclosure standard for all TSX listed issuers. National Policy 51-201 *Disclosure Standards* ~~of the CSA, "Disclosure Standards"~~, assists issuers in meeting their legislative disclosure requirements. While the legislative and Exchange timely disclosure requirements differ somewhat, the CSA clearly state in National Policy 51-201 *Disclosure Standards* that they expect listed issuers to comply with the requirements of the Exchange.

To minimize the number of authorities that must be consulted in a particular matter, in the case of securities listed on the Exchange, the Exchange is the relevant contact. The issuer may, of course, consult with the government securities administrator of the particular jurisdiction. In the case of securities listed on more than one stock market, the issuer should deal with each market.

The requirements of the Exchange and National Policy 51-201 *Disclosure Standards* are in addition to any applicable statutory requirements. The Exchange enforces its own policy. Companies whose securities are listed on the Exchange are legally obligated to comply with the provisions on timely disclosure set out in section 75 of the OSA and the ~~Regulation~~[regulation](#) under the ~~Act~~[OSA](#). Reference should also be made to National Instrument 71-102 ~~continuous~~[Continuous Disclosure and Other Exemptions Relating to Foreign Issuers](#), National Instrument 55-102 *System for Electronic Disclosure by Insiders*, ~~and~~ National Instrument 62-103 *The Early Warning System and Related Take-Over bid and Insider Reporting Issues*, ~~and~~ [National Instrument 62-104 Take-Over Bids and Issuer Bids](#).

In addition to the foregoing requirements, companies whose securities are listed on the Exchange and who engage in mineral exploration, development and/or production, must follow the "Disclosure Standards for Companies Engaged in Mineral Exploration, Development and Production" as outlined in Appendix B of this Manual for both their timely and continuous disclosure.

~~The~~ Market Surveillance ~~Division~~ monitors the timely disclosure policy on behalf of the Exchange.

Change #2

Developments to be Disclosed

[...]

Sec. 411.

Forecasts of earnings and other financial forecasts need not be disclosed, but where a significant increase or decrease in earnings is indicated in the near future, such as in the next fiscal quarter, this fact must be disclosed. Forecasts should not be provided on a selective basis to certain investors not involved in the management of the affairs of the company. If disclosed, they should be generally disclosed. Reference should be made to National ~~Policy 48 Future Oriented Financial Information of the Canadian Securities Administrators (Future-oriented Financial Information)~~[Instrument 51-102 Continuous Disclosure Obligations \(FOFI and Financial Outlooks\)](#).

Change #3

Market Surveillance

Monitoring Trading

Sec. 412.

Market Surveillance maintains a continuous stock watch ~~programme~~[program](#) which is designed to highlight unusual market activity, such as unusual price and volume changes in a stock relative to its historical pattern of trading. Where unusual trading activity takes place in a listed security, Market Surveillance attempts to determine the specific cause of such activity. If the specific cause cannot be determined immediately, company management will be contacted. Should this contact result in Market Surveillance staff becoming aware of a situation which requires a news release, the company will be asked to make an immediate announcement. Should the company be unaware of any undisclosed developments, Market Surveillance staff will continue to monitor trading and, if concerns continue, may ask the company to issue a statement that it is not aware of any undisclosed ~~developments~~[developments](#) that would account for the unusual trading pattern.

Change #4

Announcements of Material Information

Pre-Notification to Exchange

Sec. 416.

The Exchange's policy requires immediate release of material information except in unusual circumstances. While Market Surveillance may permit certain news releases to be issued after the close of trading, the policy of immediate disclosure frequently requires that news releases be issued during trading hours, especially when an important corporate development has occurred. If this is the case, it is absolutely essential that company officials notify Market Surveillance prior to the issuance of a news release. Market Surveillance staff will then be in a position to determine whether trading in any of the company's securities should be temporarily halted. Also, if the Exchange is not advised of news releases in advance, any subsequent unusual trading activity will generate enquiries and perhaps a halt in trading.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during trading hours, and submission of a written copy of the release should follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance staff should be advised before trading opens on the next trading day. Copies may be [filed through TSX SecureFile](#), faxed or ~~hand-delivered~~[e-mailed](#) to Market Surveillance.

Market Surveillance coordinates trading halts with other exchanges and markets where a company's securities are listed or traded elsewhere. A convention exists that trading in a security traded in more than one market shall be halted and resumed at the same time in each market. Failing to pre-notify the Exchange of an imminent material announcement could disrupt this system.

Change #5

Dissemination

Sec. 417.

After notifying Market Surveillance, a news release must be transmitted to the media by the quickest possible method, and by one that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, a wire service or combination of services) must be used which provides national and simultaneous coverage.

[...]

Change #6

Insider Trading

Law

Sec. 423.4.

Every listed company should have a firm rule prohibiting those who have access to confidential information from making use of such information in trading in the company's securities before the information has been fully disclosed to the public and a reasonable period of time for dissemination of the information has passed.

Insider trading is strictly regulated by Part XXI and sections 76 and 134 of the OSA and the Regulation under the Act. The securities laws of other provinces also regulate insider trading in their respective jurisdictions. Insider trading in the securities of companies incorporated under the ~~the~~ *Canada Business Corporations Act* is also regulated by Part XI of that Act. The definition of an "insider" will vary from statute to statute, but in any case will include directors and senior officers of the company and large shareholders. In Ontario directors and senior officers of any company that is itself an insider of a second company are considered insiders of that second company. It is recommended that directors and officers of listed companies be fully conversant with all applicable legislation concerning insider trading.

[...]

Change #7

Electronic Communications Disclosure Guidelines

Sec. 423.9.

~~For financial markets, the Internet may be the greatest leap forward in providing information and analysis since the advent of electronic communications. It is putting~~ The Internet allows for relevant information ~~at investors' fingertips—~~ to be instantaneously and simultaneously available to an investor. But the Internet also poses regulatory challenges. In a world in which information is more readily available than ever, it is more important than ever that it be accurate, timely and up-to-date. With this in mind, TSX has developed these electronic communications guidelines to assist listed issuers to meet their investors' informational needs.

~~Part II~~ Section 423.11 (Applicable Disclosure Guidelines) reminds issuers that applicable disclosure rules apply to all corporate disclosure through electronic communications and must be followed by each issuer. Disclosure of information by an issuer through its web site or e-mail will not satisfy the issuer's disclosure obligations. The ~~corporation~~ issuer must continue to use traditional means of dissemination. ~~Part III sets~~ Section 423.12 (Electronic Communications Guidelines) sets out the guidelines that apply directly to the Internet and other electronic media. The overall objective of the guidelines is to encourage the use of electronic media to make investor information accessible, accurate and timely. The challenge of regulating electronic media is to ensure that regulatory concerns are addressed without impeding innovation.

Change #8

Sec. 423.10.

These guidelines should be read with TSX's Timely Disclosure requirements and related guidelines ("TSX Timely Disclosure Policy").

Web sites, electronic mail ("e-mail") and other channels available on the Internet are media of communication available to listed issuers for corporate disclosure. Each of these media provides opportunities for an issuer to broadly disseminate investor relations information. There are, however, a number of issues that an issuer must consider when it goes online. Investor relations information that is disclosed electronically using these new media should be viewed by the issuer as an extension of its formal corporate disclosure record. As such, these electronic communications are subject to securities laws and TSX standards and should not be viewed merely as a promotional tool.

TSX strongly recommends that all listed issuers ~~maintain a corporate web site to~~ make investor relations information available ~~electronically~~ on their web site.

Current securities filings of listed issuers such as financial statements, ~~AIFs~~ Annual Information Forms, annual reports and prospectuses are maintained on ~~the~~ SEDAR web site operated by CDS. In addition, TSX maintains a profile page on each listed issuer on its web site ("tsx.com"). Further, many news wire services post listed issuer news releases on their web sites. Since these various sites are not all connected, it may be difficult and time consuming for an investor to search the Internet and obtain

all relevant investor relations information about a particular issuer. If an issuer creates its own web site, it can ensure that all of its investor relations information is available through one site and can provide more information than is currently available online. For example, SEDAR contains only mandatory corporate filings, while an issuer's site may carry a wealth of supplemental information, such as fact sheets, fact books, slides of investor presentations, transcripts of investor relations conferences and webcasts.

Disclosure by the Internet alone will not meet an issuer's disclosure requirements and an issuer must continue to use traditional means of dissemination.

Electronic communications do not reach all investors. Investors who have access to the Internet will be unaware that new information is available unless the issuer notifies them of an update.

Change #9

Applicable Disclosure Standards

Sec. 423.11.

Distribution of information via a web site, e-mail or otherwise via the Internet is subject to the same laws as traditional forms of dissemination such as news releases. In establishing electronic communications, an issuer should have special regard to disclosure requirements under all applicable securities laws. Issuers should refer to TSX Timely Disclosure Policy, National Policy ~~No. 51-201, 201~~ *Disclosure Standards*, National Policy 11-~~201, 201~~ *Electronic Delivery of Documents by Electronic Means*, and National Policy 47-~~201, 201~~ *Trading Securities Using the Internet and Other Electronic Means*. Issuers should be aware of disclosure requirements in all jurisdictions in which they are reporting issuers. Also, there are constant developments regarding electronic disclosure of material information by issuers and issuers must be aware of the impact of all such developments on their disclosure practices.

These standards apply to all corporate disclosure through electronic communications and must be followed by each issuer.

[...]

Change #10

Electronic Communication Guidelines

Sec. 423.12.

[...]

2. What should be on the ~~Web~~ web site'?

- (a) *All corporate "timely disclosure" documents and other investor relations information*—TSX recommends that issuers take advantage of Internet technologies and make available through an issuer web site all corporate "timely disclosure" documents and other investor relations information that it deems appropriate. As stated, however, the posting of such documents and information on the web site does not fulfill the issuer's obligation to disseminate such information through a timely news release.

An issuer may either post its own investor relations information or establish links, ~~frequently called "hyper-links"~~, to other web sites that also maintain publicly disclosed documents on behalf of the issuer such as news wire services, SEDAR and stock quote services. "Investor relations information" includes all material public documents such as: the annual report; annual and interim financial statements; the Annual Information Form; news releases; material change reports; information regarding DRIPs; declarations of dividends; redemption notices; management proxy circulars; and any other communications to shareholders.

TSX recommends that an issuer post its investor relations information, particularly its news releases, as soon as possible following dissemination. Documents that an issuer files on SEDAR should be posted concurrently on its web site, as suggested in National Policy 51-~~201, 201~~ *Disclosure Standards* or the issuer could create a hyper-link to the SEDAR web site. If an issuer chooses to link to SEDAR or to a news wire web site, a link can be provided directly to the issuer's page on that site, provided that the terms and conditions of the site to which the link is provided do not place restrictions on "deep-linking" ~~as this practice is sometimes referred to,~~ or object to "framing"¹. An issuer providing deep-linking from its web site to a third party web site should consult its legal advisors to assess the legal issues surrounding deep-linking and to ensure the proposed link is effected properly. The practice of deep-linking has given rise to a number of legal issues, including whether

permission from the third party must be sought in order to access a web site other than through the homepage and whether the issuer may incur liability in sending a user to a third party site bypassing any disclaimers posted on the homepage of the third party site.

Links to other web sites should be checked regularly to ensure they still work, are up-to-date and accurate. In addition, a disclaimer should be included on the issuer's web site, preferably via a pop-up window, clearly stating that the viewer is leaving the issuer web site and that the issuer is not responsible for the content, accuracy or timeliness of the other site.

[...]

- (d) *Online conferences*—TSX recommends that issuers hold analyst conference calls and industry conferences in a manner that enables any interested party to listen either by telephone and/or through a web cast, in accordance with s. 6.7(1) of National Policy ~~No. 51-204~~, 201 Disclosure Standards.

If an issuer chooses to participate in an online news or investor conference, TSX suggests that participation by the issuer in such online conferences should be governed by the same policy that the issuer has established in respect of its participation in other conferences such as analyst conference calls.

3. What should not be distributed via electronic communications

- (a) *Employee misuse of electronic communications*—Access to e-mail and the Internet can be valuable tools for employees to perform their jobs; however, TSX recommends that clear guidelines should be established as to how employees may use these ~~new~~ media. These guidelines should be incorporated into the issuer's disclosure, confidentiality and employee trading policy. Employees should be reminded that their corporate e-mail address is an issuer address and that all correspondence received and sent via e-mail is to be considered corporate correspondence.

Appropriate guidelines should be established about the type of information that may be circulated by e-mail. An issuer should prohibit its employees from participating in Internet chat rooms ²~~or~~, newsgroups ^{3A} or social media ^{3B} in discussions relating to the issuer or its securities. As stated in s. 6.13 of National Policy 51-~~204~~, 201 Disclosure Standards, an issuer should also consider requiring employees to report to a designated issuer official any discussion pertaining to the issuer which they find on the Internet. Moreover, communications over the Internet via e-mail may not be secure unless the issuer has appropriate encryption technology. Employees should be warned of the danger of transmitting confidential information externally via unencrypted e-mail.

[...]

5. *Rumours on the Internet*—Rumours about the issuer may appear ~~on~~ in chat rooms, ~~and~~ and newsgroups, and on social media. Rumours may spread more quickly and more widely on the Internet than by other media. ~~IIROC~~ Market Surveillance monitors chat rooms ~~and~~ news groups ~~on the Internet, and social media~~ to identify rumours about TSX listed issuers that may influence the trading activity of their stocks. TSX Timely Disclosure Policy addresses how an issuer should respond to rumours. An issuer is not expected to monitor chat rooms ~~or~~ news groups or social media for rumours about itself. Nevertheless, TSX recommends that the issuer's standard policy for addressing rumours apply to those on the Internet.

Whether an issuer should respond to a rumour depends on the circumstances. TSX suggests that the issuer should consider the market impact of the rumour and the degree of accuracy and significance to the issuer. In general, TSX recommends against an issuer participating ~~on~~ in a chat room ~~or~~ newsgroup or social media to dispel or clarify a rumour as such action may give rise to selective disclosure concerns and may create the expectation that the issuer will always respond. Instead, the issuer should issue a news release to ensure widespread dissemination of its statement.

If an issuer becomes aware of a rumour ~~on~~ in a chat room, newsgroup, or on social media or any other source that may have a material impact on the price of its stock, it should immediately contact Market Surveillance. If the information is false and is materially influencing the trading activity of the issuer's securities, it may consider issuing a clarifying news release. The issuer should contact Market Surveillance so that they can monitor trading in the issuer's securities. If Market Surveillance determines that trading is being affected by the rumour, it may require the issuer to issue a news release stating that there are no corporate developments to explain the market activity.

[...]

¹ Displaying the content or page(s) of a third party web site within the overall design of an issuer's web site, which gives the impression that the third party content is part of the issuer's site.

² A chat room is a live electronic forum for discussion among Internet participants.

^{3A} A newsgroup is an electronic bulletin board on which internet participants may post information.

^{3B} Social media includes electronic communication through which users create or participate in online communities to share information, ideas and other content, or to participate in social networking.

Change #11

TSX Monitoring of the Internet

Sec. 423.14.

TSX regularly monitors listed issuer web sites as well as chat rooms ~~and~~, news groups, and social media on the Internet. TSX has the capability to review alterations to listed issuer web sites and to perform random searches of the Internet to identify active discussions relating to listed issuers. However, such monitoring can never be exhaustive. Issuers are responsible for maintaining their web site and should continue to make Market Surveillance aware of significant rumours or problems relating to Internet discussions.

Change #12

Sec. 607. Private Placements

[...]

(f) For all private placements:

[...]

v) successive private placements will be aggregated for the purposes of Subsections 607(c)(ii) and 607(g)(i) if they are within the three (3) preceding months, have common placees and/or a common use of proceeds. For the purpose of Subsection 607(g)(i), the number of securities of the listed issuer which are outstanding, on a non-diluted basis, must be calculated prior to the date of closing of the first private placement during the three month period; and

[...]

Change #13

Sec. 611. Acquisitions

[...]

~~(c) Subject to Subsection 611(d),~~ Security holder approval will be required in those instances where the number of securities issued or issuable in payment of the purchase price for an acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis.

~~(d) Subject to Subsection 611(b), TSX will not require security holder approval where the acquiring listed issuer is an investment fund and all of the following conditions are met:~~ **[Deleted]**

~~(i) the issuer being acquired is an investment fund(s) that calculates and publishes its NAV at least once a month;~~

~~(ii) the consideration being offered for the acquisition does not exceed the NAV of the investment fund that is the subject of the acquisition;~~

~~(iii) the manager of the acquiring listed issuer has determined that the assets being acquired are consistent with the acquiring issuer's investment objectives, has made such representations to its IRC, and has referred the transaction to its IRC for approval;~~

- ~~(iv) — the IRC of the acquiring listed issuer has approved the acquisition;~~
- ~~(v) — the number of securities issued or issuable in payment of the purchase price for the acquisition does not exceed 100% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis; and~~
- ~~(vi) — the investment funds participating in the transaction bear none of the costs and expenses associated with the transaction.~~

[...]

Change #14

Sec. 629. Special Rules Applicable to Normal Course Issuer Bids

[...]

- (f) The listed issuer will issue a press release indicating its intention to make a normal course issuer bid, subject to TSX acceptance, prior to acceptance of the executed notice by TSX. The press release shall summarize the material aspects of the contents of the notice, including the number of securities the listed issuer intends to repurchase, the method of disposition of the securities, if applicable, the reason for the bid and details of any previous purchases in the preceding 12-month period, including the maximum number of securities that the listed issuer sought and obtained approval to purchase, the number of securities purchased, the manner in which the securities were purchased (i.e. on the market or pursuant to exemption orders issued by securities regulatory authorities), and the volume weighted average price paid. If a press release has not already been issued, a draft press release must be provided to TSX and the listed issuer shall issue a press release as soon as the notice is accepted by TSX. A copy of the final press release shall be filed with TSX.

Change #15

B. Notifying the Financial Media

Sec. 906.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during trading hours, and submission of a written copy of the release must follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance should be advised before trading opens on the next trading day. Copies may be filed through TSX SecureFile, faxed or ~~hand-delivered~~e-mailed to Market Surveillance, ~~145 King Street West, Suite 900, Toronto, Ontario, M5H 1J8~~, at <https://secure.tsx.com>, (416) 646-7263, or pr@iirc.ca, respectively.

Change #16

News Services and Publications

Sec. 910

As a matter of routine procedure, all information of importance should be released as quickly as circumstances permit, and to as broad an audience as possible. After notification to Market Surveillance, a news release must be transmitted to the media by the quickest possible method, and by one that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, the Exchange's timely disclosure policy requires that a wire service (or combination of services) be used which provides national and simultaneous coverage of the full text of the release to the national financial press and daily newspapers that provide regular coverage of financial news, to all Participating Organizations and to all relevant regulatory bodies. If the officials of a listed company have any questions about the acceptability of a particular means of dissemination, they should contact Market Surveillance. A list of key segments of the news media is set out below.

- A) Paid Distribution News Services (providing full text coverage)

CNW Group
Marketwire Inc.
GlobeNewswire, Inc.
Filing Services Canada Inc.

APPENDIX B

NON-PUBLIC INTEREST AMENDMENTS TO THE TSX COMPANY MANUAL

B. Timely Disclosure

Introduction

Sec. 406.

It is a cornerstone policy of the Exchange that all persons investing in securities listed on the Exchange have equal access to information that may affect their investment decisions. Public confidence in the integrity of the Exchange as a securities market requires timely disclosure of material information concerning the business and affairs of companies listed on the Exchange, thereby placing all participants in the market on an equal footing.

The timely disclosure policy of the Exchange is the primary timely disclosure standard for all TSX listed issuers. National Policy 51-201 *Disclosure Standards*, assists issuers in meeting their legislative disclosure requirements. While the legislative and Exchange timely disclosure requirements differ somewhat, the CSA clearly state in National Policy 51-201 *Disclosure Standards* that they expect listed issuers to comply with the requirements of the Exchange.

To minimize the number of authorities that must be consulted in a particular matter, in the case of securities listed on the Exchange, the Exchange is the relevant contact. The issuer may, of course, consult with the government securities administrator of the particular jurisdiction. In the case of securities listed on more than one stock market, the issuer should deal with each market.

The requirements of the Exchange and National Policy 51-201 *Disclosure Standards* are in addition to any applicable statutory requirements. The Exchange enforces its own policy. Companies whose securities are listed on the Exchange are legally obligated to comply with the provisions on timely disclosure set out in section 75 of the OSA and the regulation under the OSA. Reference should also be made to National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, National Instrument 55-102 *System for Electronic Disclosure by Insiders*, National Instrument 62-103 *The Early Warning System and Related Take-Over bid and Insider Reporting Issues*, and National Instrument 62-104 *Take-Over Bids and Issuer Bids*.

In addition to the foregoing requirements, companies whose securities are listed on the Exchange and who engage in mineral exploration, development and/or production, must follow the "Disclosure Standards for Companies Engaged in Mineral Exploration, Development and Production" as outlined in Appendix B of this Manual for both their timely and continuous disclosure.

Market Surveillance monitors the timely disclosure policy on behalf of the Exchange.

Developments to be Disclosed

[...]

Sec. 411.

Forecasts of earnings and other financial forecasts need not be disclosed, but where a significant increase or decrease in earnings is indicated in the near future, such as in the next fiscal quarter, this fact must be disclosed. Forecasts should not be provided on a selective basis to certain investors not involved in the management of the affairs of the company. If disclosed, they should be generally disclosed. Reference should be made to National Instrument 51-102 *Continuous Disclosure Obligations (FOFI and Financial Outlooks)*.

Market Surveillance

Monitoring Trading

Sec. 412.

Market Surveillance maintains a continuous stock watch program which is designed to highlight unusual market activity, such as unusual price and volume changes in a stock relative to its historical pattern of trading. Where unusual trading activity takes place in a listed security, Market Surveillance attempts to determine the specific cause of such activity. If the specific cause cannot be determined immediately, company management will be contacted. Should this contact result in Market Surveillance staff becoming aware of a situation which requires a news release, the company will be asked to make an immediate

announcement. Should the company be unaware of any undisclosed developments, Market Surveillance staff will continue to monitor trading and, if concerns continue, may ask the company to issue a statement that it is not aware of any undisclosed developments that would account for the unusual trading pattern.

Announcements of Material Information

Pre-Notification to Exchange

Sec. 416.

The Exchange's policy requires immediate release of material information except in unusual circumstances. While Market Surveillance may permit certain news releases to be issued after the close of trading, the policy of immediate disclosure frequently requires that news releases be issued during trading hours, especially when an important corporate development has occurred. If this is the case, it is absolutely essential that company officials notify Market Surveillance prior to the issuance of a news release. Market Surveillance staff will then be in a position to determine whether trading in any of the company's securities should be temporarily halted. Also, if the Exchange is not advised of news releases in advance, any subsequent unusual trading activity will generate enquiries and perhaps a halt in trading.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during trading hours, and submission of a written copy of the release should follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance staff should be advised before trading opens on the next trading day. Copies may be filed through TSX SecureFile, faxed or e-mailed to Market Surveillance.

Market Surveillance coordinates trading halts with other exchanges and markets where a company's securities are listed or traded elsewhere. A convention exists that trading in a security traded in more than one market shall be halted and resumed at the same time in each market. Failing to pre-notify the Exchange of an imminent material announcement could disrupt this system.

Dissemination

Sec. 417.

After notifying Market Surveillance, a news release must be transmitted to the media by the quickest possible method, and by one that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, a wire service or combination of services must be used which provides national and simultaneous coverage.

[...]

Insider Trading

Law

Sec. 423.4.

Every listed company should have a firm rule prohibiting those who have access to confidential information from making use of such information in trading in the company's securities before the information has been fully disclosed to the public and a reasonable period of time for dissemination of the information has passed.

Insider trading is strictly regulated by Part XXI and sections 76 and 134 of the OSA and the Regulation under the Act. The securities laws of other provinces also regulate insider trading in their respective jurisdictions. Insider trading in the securities of companies incorporated under the *Canada Business Corporations Act* is also regulated by Part XI of that Act. The definition of an "insider" will vary from statute to statute, but in any case will include directors and senior officers of the company and large shareholders. In Ontario directors and senior officers of any company that is itself an insider of a second company are considered insiders of that second company. It is recommended that directors and officers of listed companies be fully conversant with all applicable legislation concerning insider trading.

[...]

Electronic Communications Disclosure Guidelines

Sec. 423.9.

The Internet allows for relevant information to be instantaneously and simultaneously available to an investor. But the Internet also poses regulatory challenges. In a world in which information is more readily available than ever, it is more important than ever that it be accurate, timely and up-to-date. With this in mind, TSX has developed these electronic communications guidelines to assist listed issuers to meet their investors' informational needs.

Section 423.11 (Applicable Disclosure Guidelines) reminds issuers that applicable disclosure rules apply to all corporate disclosure through electronic communications and must be followed by each issuer. Disclosure of information by an issuer through its web site or e-mail will not satisfy the issuer's disclosure obligations. The issuer must continue to use traditional means of dissemination. Section 423.12 (Electronic Communications Guidelines) sets out the guidelines that apply directly to the Internet and other electronic media. The overall objective of the guidelines is to encourage the use of electronic media to make investor information accessible, accurate and timely. The challenge of regulating electronic media is to ensure that regulatory concerns are addressed without impeding innovation.

Sec. 423.10.

These guidelines should be read with TSX's Timely Disclosure requirements and related guidelines ("TSX Timely Disclosure Policy").

Web sites, electronic mail ("e-mail") and other channels available on the Internet are media of communication available to listed issuers for corporate disclosure. Each of these media provides opportunities for an issuer to broadly disseminate investor relations information. There are, however, a number of issues that an issuer must consider when it goes online. Investor relations information that is disclosed electronically using these new media should be viewed by the issuer as an extension of its formal corporate disclosure record. As such, these electronic communications are subject to securities laws and TSX standards and should not be viewed merely as a promotional tool.

TSX strongly recommends that all listed issuers make investor relations information available on their web site.

Current securities filings of listed issuers such as financial statements, Annual Information Forms, annual reports and prospectuses are maintained on SEDAR. In addition, TSX maintains a profile page on each listed issuer on its web site ("tsx.com"). Further, many news wire services post listed issuer news releases on their web sites. Since these various sites are not all connected, it may be difficult and time consuming for an investor to search the Internet and obtain all relevant investor relations information about a particular issuer. If an issuer creates its own web site, it can ensure that all of its investor relations information is available through one site and can provide more information than is currently available online. For example, SEDAR contains only mandatory corporate filings, while an issuer's site may carry a wealth of supplemental information, such as fact sheets, fact books, slides of investor presentations, transcripts of investor relations conferences and webcasts.

Disclosure by the Internet alone will not meet an issuer's disclosure requirements and an issuer must continue to use traditional means of dissemination.

Electronic communications do not reach all investors. Investors who have access to the Internet will be unaware that new information is available unless the issuer notifies them of an update.

Applicable Disclosure Standards

Sec. 423.11.

Distribution of information via a web site, e-mail or otherwise via the Internet is subject to the same laws as traditional forms of dissemination such as news releases. In establishing electronic communications, an issuer should have special regard to disclosure requirements under all applicable securities laws. Issuers should refer to TSX Timely Disclosure Policy, National Policy 51-201 *Disclosure Standards*, National Policy 11-201 *Electronic Delivery of Documents*, and National Policy 47-201 *Trading Securities Using the Internet and Other Electronic Means*. Issuers should be aware of disclosure requirements in all jurisdictions in which they are reporting issuers. Also, there are constant developments regarding electronic disclosure of material information by issuers and issuers must be aware of the impact of all such developments on their disclosure practices.

These standards apply to all corporate disclosure through electronic communications and must be followed by each issuer.

[...]

Electronic Communication Guidelines

Sec. 423.12.

[...]

2. What should be on the web site?

- (a) *All corporate "timely disclosure" documents and other investor relations information*—TSX recommends that issuers take advantage of Internet technologies and make available through an issuer web site all corporate "timely disclosure" documents and other investor relations information that it deems appropriate. As stated, however, the posting of such documents and information on the web site does not fulfill the issuer's obligation to disseminate such information through a timely news release.

An issuer may either post its own investor relations information or establish links to other web sites that also maintain publicly disclosed documents on behalf of the issuer such as news wire services, SEDAR and stock quote services. "Investor relations information" includes all material public documents such as: the annual report; annual and interim financial statements; the Annual Information Form; news releases; material change reports; information regarding DRIPs; declarations of dividends; redemption notices; management proxy circulars; and any other communications to shareholders.

TSX recommends that an issuer post its investor relations information, particularly its news releases, as soon as possible following dissemination. Documents that an issuer files on SEDAR should be posted concurrently on its web site, as suggested in National Policy 51-201 *Disclosure Standards* or the issuer could create a hyper-link to the SEDAR web site. If an issuer chooses to link to SEDAR or to a news wire web site, a link can be provided directly to the issuer's page on that site, provided that the terms and conditions of the site to which the link is provided do not place restrictions on "deep-linking" , or object to "framing"¹. An issuer providing deep-linking from its web site to a third party web site should consult its legal advisors to assess the legal issues surrounding deep-linking and to ensure the proposed link is effected properly. The practice of deep-linking has given rise to a number of legal issues, including whether permission from the third party must be sought in order to access a web site other than through the homepage and whether the issuer may incur liability in sending a user to a third party site bypassing any disclaimers posted on the homepage of the third party site.

Links to other web sites should be checked regularly to ensure they still work, are up-to-date and accurate. In addition, a disclaimer should be included on the issuer's web site, preferably via a pop-up window, clearly stating that the viewer is leaving the issuer web site and that the issuer is not responsible for the content, accuracy or timeliness of the other site.

[...]

- (d) *Online conferences*—TSX recommends that issuers hold analyst conference calls and industry conferences in a manner that enables any interested party to listen either by telephone and/or through a web cast, in accordance with s. 6.7(1) of National Policy 51-201 *Disclosure Standards*.

If an issuer chooses to participate in an online news or investor conference, TSX suggests that participation by the issuer in such online conferences should be governed by the same policy that the issuer has established in respect of its participation in other conferences such as analyst conference calls.

3. What should not be distributed via electronic communications

- (a) *Employee misuse of electronic communications*—Access to e-mail and the Internet can be valuable tools for employees to perform their jobs; however, TSX recommends that clear guidelines should be established as to how employees may use these media. These guidelines should be incorporated into the issuer's disclosure, confidentiality and employee trading policy. Employees should be reminded that their corporate e-mail address is an issuer address and that all correspondence received and sent via e-mail is to be considered corporate correspondence.

Appropriate guidelines should be established about the type of information that may be circulated by e-mail. An issuer should prohibit its employees from participating in Internet chat rooms², newsgroups^{3A} or social media^{3B} in discussions relating to the issuer or its securities. As stated in s. 6.13 of National Policy 51-201 *Disclosure Standards*, an issuer should also consider requiring employees to report to a designated issuer official any discussion pertaining to the issuer which they find on the Internet. Moreover, communications over

the Internet via e-mail may not be secure unless the issuer has appropriate encryption technology. Employees should be warned of the danger of transmitting confidential information externally via unencrypted e-mail.

[...]

5. *Rumours on the Internet*—Rumours about the issuer may appear in chat rooms, newsgroups, and on social media. Rumours may spread more quickly and more widely on the Internet than by other media. Market Surveillance monitors chat rooms, news groups, and social media to identify rumours about TSX listed issuers that may influence the trading activity of their stocks. TSX Timely Disclosure Policy addresses how an issuer should respond to rumours. An issuer is not expected to monitor chat rooms, news groups or social media for rumours about itself. Nevertheless, TSX recommends that the issuer's standard policy for addressing rumours apply to those on the Internet.

Whether an issuer should respond to a rumour depends on the circumstances. TSX suggests that the issuer should consider the market impact of the rumour and the degree of accuracy and significance to the issuer. In general, TSX recommends against an issuer participating in a chat room, newsgroup or social media to dispel or clarify a rumour as such action may give rise to selective disclosure concerns and may create the expectation that the issuer will always respond. Instead, the issuer should issue a news release to ensure widespread dissemination of its statement.

If an issuer becomes aware of a rumour in a chat room, newsgroup, or on social media or any other source that may have a material impact on the price of its stock, it should immediately contact Market Surveillance. If the information is false and is materially influencing the trading activity of the issuer's securities, it may consider issuing a clarifying news release. The issuer should contact Market Surveillance so that they can monitor trading in the issuer's securities. If Market Surveillance determines that trading is being affected by the rumour, it may require the issuer to issue a news release stating that there are no corporate developments to explain the market activity.

[...]

¹ Displaying the content or page(s) of a third party web site within the overall design of an issuer's web site, which gives the impression that the third party content is part of the issuer's site.

² A chat room is a live electronic forum for discussion among Internet participants.

^{3A} A newsgroup is an electronic bulletin board on which internet participants may post information.

^{3B} Social media includes electronic communication through which users create or participate in online communities to share information, ideas and other content, or to participate in social networking.

TSX Monitoring of the Internet

Sec. 423.14.

TSX regularly monitors listed issuer web sites as well as chat rooms, news groups, and social media on the Internet. TSX has the capability to review alterations to listed issuer web sites and to perform random searches of the Internet to identify active discussions relating to listed issuers. However, such monitoring can never be exhaustive. Issuers are responsible for maintaining their web site and should continue to make Market Surveillance aware of significant rumours or problems relating to Internet discussions.

Sec. 607. Private Placements

[...]

- (f) For all private placements:

[...]

- v) successive private placements will be aggregated for the purposes of Subsections 607(c)(ii) and 607(g)(i) if they are within the three (3) preceding months, have common placees and/or a common use of proceeds. For the purpose of Subsection 607(g)(i), the number of securities of the listed issuer which are outstanding, on a non-diluted basis, must be calculated prior to the date of closing of the first private placement during the three month period; and

[...]

Sec. 611. Acquisitions

[...]

- (c) Security holder approval will be required in those instances where the number of securities issued or issuable in payment of the purchase price for an acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis.

- (d) **[Deleted]**

[...]

Sec. 629. Special Rules Applicable to Normal Course Issuer Bids

[...]

- (f) The listed issuer will issue a press release indicating its intention to make a normal course issuer bid, subject to TSX acceptance, prior to acceptance of the executed notice by TSX. The press release shall summarize the material aspects of the contents of the notice, including the number of securities the listed issuer intends to repurchase, the method of disposition of the securities, if applicable, the reason for the bid and details of any previous purchases in the preceding 12-month period, including the maximum number of securities that the listed issuer sought and obtained approval to purchase, the number of securities purchased, the manner in which the securities were purchased (i.e. on the market or pursuant to exemption orders issued by securities regulatory authorities), and the volume weighted average price paid. If a press release has not already been issued, a draft press release must be provided to TSX and the listed issuer shall issue a press release as soon as the notice is accepted by TSX. A copy of the final press release shall be filed with TSX.

B. Notifying the Financial Media

Sec. 906.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. Market Surveillance must be advised by telephone in advance if an announcement is ready to be made during trading hours, and submission of a written copy of the release must follow. Where an announcement is to be released after the Exchange has closed, Market Surveillance should be advised before trading opens on the next trading day. Copies may be filed through TSX SecureFile, faxed or e-mailed to Market Surveillance, at <https://secure.tsx.com>, (416) 646-7263, or pr@iirc.ca, respectively.

News Services and Publications

Sec. 910

As a matter of routine procedure, all information of importance should be released as quickly as circumstances permit, and to as broad an audience as possible. After notification to Market Surveillance, a news release must be transmitted to the media by the quickest possible method, and by one that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, the Exchange's timely disclosure policy requires that a wire service (or combination of services) be used which provides national and simultaneous coverage of the full text of the release to the national financial press and daily newspapers that provide regular coverage of financial news, to all Participating Organizations and to all relevant regulatory bodies. If the officials of a listed company have any questions about the acceptability of a particular means of dissemination, they should contact Market Surveillance. A list of key segments of the news media is set out below.

- A) Paid Distribution News Services (providing full text coverage)

CNW Group
Marketwire Inc.
GlobeNewswire, Inc.
Filing Services Canada Inc.
Marketwire Inc.
Business Wire
Newsfile Corp.

[...]

Form 12 – Notice of Intention to make a Normal Course Issuer Bid

[...]

7. Previous Purchases – Where the issuer has purchased securities under a NCIB within the past 12 months, state the following:

a) method of acquisition:

b) the number of securities sought and approved for purchase: _____

c) the number of securities actually purchased: _____

d) the weighted average price paid per security: _____

[...]

Appendix B Disclosure Standards for Companies Engaged in Mineral Exploration, Development & Production

[...]

1.1 News Releases

The standards herein provide guidelines for the content of news releases which when combined with the disclosure requirements of NI 43-101 require more comprehensive disclosure. While this may result in additional time and money being expended on news releases, it is intended that the public receive more and better information in order that it can make better informed investment decisions.

The prescribed information may be provided by reference to previous news releases or other documents, as long as they are readily obtainable from the company by e-mail, fax, mail or in a web site. For instance, when a company first announces exploration results from a property, it must describe the geological environment of the property; however, it may not be necessary to repeat that information in every news release subsequently issued regarding the same property. The subsequent news releases may instead refer to previous releases or other documents and indicate how they may be obtained.