



SERENIC CORPORATION CORPORATE DISCLOSURE POLICY

Approved by the Board of Directors on November 3, 2006

I. OBJECTIVE AND SCOPE

The objective of this Corporate Disclosure Policy (“Policy”) is to ensure that Serenic Corporation’s (“Serenic” or the “Company”) communications to the investing public are:

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

All investors in Serenic should have equal access to information that may affect their investment decisions. The intent of this Policy is to ensure that disclosure of material information conforms to Canadian securities laws and regulations.

Serenic “insiders” and others who are in possession of undisclosed material information about Serenic must not:

- a) purchase or sell Serenic securities; or
- b) disclose undisclosed material information to others except in very limited circumstances recognized by securities regulators.

This Policy extends to all employees and officers of Serenic, its Board of Directors and those authorized to speak on behalf of the Company. All such persons are required to make the Committee (see below) aware of any circumstances or events that could reasonably be considered to be “material information” in the context of this Policy.

This Policy covers disclosures in documents filed with securities regulators, financial and nonfinancial disclosure, including MD&A, and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on the Company’s website and in other electronic communications. It also 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.

The policies and procedures set out in this Policy are important. Failure to observe them may result in a breach of Canadian securities laws and have a negative impact on the business and operations of Serenic. It may also result in disciplinary action, including, where appropriate, referring the matter to securities regulatory authorities, or possible termination of employment.

II. DISCLOSURE COMMITTEE

The management of Serenic has established a Disclosure Committee (the “Committee”) responsible for all regulatory disclosure requirements and for overseeing the Company’s disclosure practices. The committee consists of the Chairman of the Company, the Chief Executive Officer, the President, and the Chief Financial Officer of the Corporation.

The Committee's responsibilities include:

- a) updating this Policy regularly, taking into account new developments and standards of practice;
- b) monitoring the effectiveness of and compliance with the Policy;
- c) educating directors, officers and other employees about matters covered by this Policy and ensuring that the authorized spokespersons receive adequate training;
- d) reviewing and authorizing all written, electronic and oral disclosure before it is publicly disclosed;
- e) monitoring Serenic's website;
- f) meeting as needed, but at least quarterly, to discuss drafting responsibilities for public documents and to identify any areas of particular risk and sensitivity that require special care;
- g) reviewing all news releases and core disclosure documents prior to their release or filing, including the Company's MD&A; and
- h) overseeing, assisting in the design and evaluation of, documenting and monitoring on an ongoing basis Serenic' disclosure controls and procedures.

The Committee must set benchmarks for a preliminary assessment of materiality and will determine when developments justify public disclosure. The Committee will meet quarterly or as conditions dictate and minutes of any meetings are to be kept by in the Corporate Minute Book. It is essential that the Committee be kept fully apprised of all pending material Company developments in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information. If it is deemed that the information should remain confidential, the Committee will determine how that inside information will be controlled.

Everyone to whom this Policy applies must be instructed to notify the Committee as soon as material developments occur. The Committee should report to the Audit Committee on any significant issues arising under this Policy, including circumstances where there is an occurrence of selective disclosure.

The Committee will review and update, if necessary, this Policy on an annual basis or as needed to ensure compliance with changing regulatory requirements. The Committee will report to the Audit Committee on a quarterly basis.

III. AUTHORIZED SPOKESPERSONS

Serenic designates a limited number of spokespersons responsible for communication with the investment community, media and regulators. They are the Chairman, President and Chief

Executive Officer and the Chief Financial Officer. These shall be the authorized spokespersons for Serenic. The individuals holding these offices may, from time to time, designate others within the Company to speak on behalf of Serenic, either in a back-up capacity or to respond to specific issues.

From time to time, the Company may engage the services of an outside investor relations firm or individual (the “IR Consultant”) to provide strategic investor relations services. In this role, the IR consultant will interact with members of the investment community on behalf of Serenic. The IR consultant is considered to be an insider of the Company.

Everyone in the Company should know who the authorized spokespersons are and refer all inquiries from analyst, investors and the media to them. Having a limited number of authorized spokespersons should help to reduce the risk of unauthorized disclosures, inconsistent statements by different people in the Company and statements that are inconsistent with the public disclosure record of the Company.

Serenic employees and others who are **not** authorized spokespersons must **not** respond, under any circumstances, to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred directly to the authorized spokespersons. The names and phone numbers of the authorized spokespersons must be provided to Market Regulation Services Inc. (“RS”). Statements made by those who are not formally designated by the Company as authorized spokespersons may nonetheless be viewed as being made on behalf of the Company. Therefore, all employees, officer and directors of the Company should familiarize themselves with this Policy and take great care to comply with it, to ensure that they do not inadvertently cause the Company, as well as themselves to run afoul of the law.

III. AUDIT COMMITTEE REVIEW OF CERTAIN DISCLOSURE

The Audit Committee will review the following disclosures in advance of their public release by the Company:

- a) the Company’s financial statements, MD&A and annual and interim earnings news releases;
- b) earnings guidance, if any;
- c) new releases containing financial information based on the Company’s financial statements prior to the release of such statements; and
- d) the contents of all other major disclosure documents, including the Company’s annual report, quarterly reports to shareholders, annual information form and management information circular.

IV. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

The Company is required by securities law to immediately disclose a “material change” in its business. The Company is also required by stock exchange rules to immediately disclose “material information” via news release. “Material information” is any information relating to the business and affairs of Serenic that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company’s securities, or that would reasonably be expected to have a significant influence on any reasonable investor’s investment decisions. In complying with the requirement to disclose all material information in a timely manner under applicable laws and securities regulatory authority and stock exchange rules, Serenic will adhere to the following basic disclosure principles:

- a) Material information will be publicly disclosed immediately via news release. See Appendix A for examples of material changes.
- b) Material changes concerning Serenic will be reported in a material change report that shall be filed with securities regulators as soon as practical and no later than 10 days after the material change occurs.
- c) In certain circumstances, the Committee may determine that such disclosure would be unduly detrimental to Serenic (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 Committee determines it is appropriate to publicly disclose. In such circumstances, the Committee will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential (also see section on “Rumours”).
- d) Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading).
- e) Unfavourable material information must be disclosed as promptly and completely as favourable information.
- f) There will be no selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed, such information must be broadly disclosed immediately via news release.
- g) Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees.
- h) Disclosure on Serenic’s website alone does not constitute adequate disclosure of material information.

- i) Disclosure must be corrected immediately if Serenic subsequently learns that earlier disclosure by the Company contained a material error at the time the initial information was given.

The determination of whether or not information is material often involves the exercise of difficult business judgments based on experience. In determining whether or not information is material, the Committee will consider the nature of the information, the volatility and liquidity of Serenic' securities and prevailing market conditions and what impact these factors will have on materiality. If there is any question about the materiality of information, Serenic will err on the side of caution and disclose the information to the public in a timely fashion. Examples of possible material events are set out in Appendix A to this Policy.

V. DISCLOSURE OF MATERIAL INFORMATION

Material information will be publicly disclosed as soon as practicable via news release. Once it is determined that a development is material, the Committee will authorize the issuance of a news release, unless it is determined that such developments must remain confidential for the time being and appropriate control of that inside information is instituted.

The Committee must ensure that all persons with knowledge of such confidential information are informed of their obligation to keep the information confidential until it is disclosed to the public and to refrain from trading in securities of Serenic or any other company that is affected by the confidential information. The Committee must ensure that market activity is monitored until the confidential information has been disclosed to the public.

Should a material oral statement inadvertently be made in a selective forum, Serenic will issue a news release as soon as practicable in order to fully publicly disclose that information.

Annual and interim financial results should be publicly released immediately following approval of the financial statements by the Board of Directors. Meetings of the Audit Committee should be scheduled to facilitate the dissemination of a news release and hosting of a conference call in a timely fashion during regular business hours.

VI. NEWS RELEASES

News releases will be disseminated by a recognized and approved newswire service that provides simultaneous national and/or international distribution. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media and the local media as applicable.

If the TSX Venture Exchange or the Toronto Stock Exchange (collectively the "TSX") is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to RS and the TSX, as required, to enable a trading halt, if deemed necessary by RS. If a news release announcing material information is issued outside of trading hours, RS must be notified before the market opens.

News releases will be posted on Serenic' website immediately after confirmation of release over the newswire. The news release page of the website shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases.

VII. MAINTAINING CONFIDENTIALITY

Any employee privy to confidential information is prohibited from communicating this information to anyone else, except in very limited circumstances recognized by securities regulators. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.

Communication by e-mail leaves a physical track of its passage that may be subject to later decryption attempts. All confidential information being transmitted over the Internet must be secured by the strongest encryption and validation methods available. Where possible, employees should avoid using e-mail to transmit confidential information.

Outside parties privy to undisclosed material information concerning Serenic will be told that they must not divulge such information to anyone else and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement. To prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

- a) 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 and code names should be used if necessary.
- b) Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
- c) Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
- d) Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
- e) Transmission of documents by electronic means, such as by fax, e-mail or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- f) Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded and extra copies of confidential documents should be shredded or otherwise destroyed.

- g) Access to confidential electronic data should be restricted through the use of passwords.
- h) All proprietary information, including computer programs and other records, shall remain the property of Serenic and may not be removed, disclosed, copied or otherwise used except in the normal course of employment or with the prior permission of a member of the Committee.

VIII. RUMOURS

Serenic does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet, including “chat rooms”. Serenic’s spokespersons will respond consistently to those rumours, saying, “It is our policy not to comment on market rumours or speculation.” Should regulatory bodies request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Committee will consider the matter and decide whether to make a policy exception. If the rumour is true, in whole or in part, this may be evidence of a leak and the Company will immediately issue a news release disclosing the relevant material information.

IX. CONFERENCE CALLS

Conference calls may be held for quarterly earnings and major corporate developments, accessible simultaneously to all interested parties, some as participants by telephone and others in a listen only mode by telephone or via a webcast. If a conference call is held, the call will be preceded by a news release containing all relevant material information. At the beginning of the call, an authorized spokesperson will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing any assumptions, sensitivities and a full discussion of the risks and uncertainties applicable to the news.

Serenic will provide advance notice of the conference call and webcast by issuing a news release announcing the date, time and topic and providing information on how interested parties may access the call and webcast. These details will also be provided on the Company’s website. In addition, Serenic may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the website for others to view. An archived audio webcast will be made available on the Company’s website following the call for a minimum of 90 days, for anyone interested in listening to a replay. A telephone rebroadcast of the call will also be available for one week following the actual conference call.

The Committee will hold a debriefing meeting immediately after the conference call and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company will immediately disclose such information broadly via news release.

X. TRADING RESTRICTIONS AND BLACKOUT PERIODS

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material information affecting that company, when this information has not been publicly disclosed. Therefore, insiders and employees with knowledge of confidential or material information about Serenic or counter-parties in negotiations of material potential transactions, are prohibited from trading in shares of Serenic or any counter-party until the information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated. Furthermore, it is also illegal for anyone to inform any other person of material non-public information.

Quarterly trading blackout periods will apply to all insiders and to those employees with access to material undisclosed information during periods when financial statements are being prepared but results have not yet been publicly disclosed. The quarterly blackout period commences on the last trading day before end of a quarter and ends on the second business day following the issuance of a news release disclosing quarterly or annual results.

Insiders, Officers and Employees may apply to the Corporation's Trading Officer (currently the Chief Financial Officer) for permission to trade the Corporation's securities in the Blackout period. The Trading Officer may approve the trade, or before doing so, he may seek advice from the Independent members of the Board if there is no concern regarding potentially material undisclosed information. The Trading Officer must approve all trades in the Corporation's securities during the Blackout period.

Blackout periods may be prescribed from time to time by the Committee as a result of special circumstances relating to Serenic pursuant to which insiders and certain employees with access to material undisclosed information regarding Serenic would be precluded from trading in securities of the Company. All parties with knowledge of such special circumstances shall be covered by the special blackout period. Such parties may include insiders, employees and external advisors such as legal counsel, investment bankers, investor relations consultants and other professional advisors and counter-parties in negotiations of material potential transactions.

XI. CONTACT WITH ANALYSTS, INVESTORS AND THE MEDIA

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

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

Serenic will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst, investor or media

representative may construct this information into a mosaic that could result in material information. Serenic cannot alter the materiality of information by breaking down the information into smaller, non-material components.

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

Spokespersons will keep notes of telephone conversations with analysts and investors and, where possible, more than one Serenic representative (or the IR Consultant) will be present at all individual and group meetings. A debriefing will be held after such meetings and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company will immediately disclose such information broadly via news release.

XII. REVIEWING ANALYST DRAFT REPORTS AND MODELS

It is Serenic's policy to review, upon request, analysts' draft research reports or models. Serenic will review the report or model for the purpose of pointing out errors in fact based on publicly disclosed information. Serenic will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's model and earnings estimates.

In order to avoid appearing to "endorse" an analyst's report or model, Serenic will review such reports only for factual accuracy.

XIII. DISTRIBUTING ANALYST REPORTS

Analyst reports are proprietary products of the analyst's firm. Re-circulating a report by an analyst may be viewed as an endorsement by Serenic of said report. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or generally to employees of the Company, including posting such reports on its website. Serenic may post on its website a complete list of all the investment firms and analysts who provide research coverage on the Company, regardless of their recommendations.

XIV. FORWARD-LOOKING INFORMATION

Should Serenic elect to disclose forward-looking information (FLI) in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed.

- a) The information, if deemed material, will be broadly disseminated via news release, in accordance with this Policy;
- b) The information will be clearly identified as forward-looking;
- c) Serenic will identify all material assumptions used in the preparation of the FLI;

- d) A statement that identifies, in specific terms, the risks and uncertainties that may cause actual results to differ materially from those projected in the forward-looking statement will accompany the information;
- e) The information will be accompanied by a statement that disclaims Serenic's intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise but notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, Serenic may choose to issue a news release explaining the reasons for the difference in accordance with Serenic's past practice in these matters; and
- f) The Committee must obtain the approval of the Audit Committee before issuing a news release containing forward-looking information or financial information that is based on or derived from financial statements.

XV. MANAGING EXPECTATIONS

Serenic will try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts' estimates are in line with the Company's own expectations. Serenic will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' models and earnings estimates.

If Serenic has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in a news release in order to enable discussion without risk of selective disclosure.

XVI. DISCLOSURE RECORD

Serenic's Director of Corporate Communication (or other suitable officer) will maintain a file containing all public information about the Company, 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.

XVII. RESPONSIBILITY FOR ELECTRONIC COMMUNICATION

This Policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures shall also be responsible for electronic communications.

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

Investor relations material shall be contained within a separate section of Serenic's website. The Director of Corporate Communications is responsible for updating the investor relations section of Serenic' website and is responsible for monitoring all Company information placed on that section of the website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

The following information must be included on the investor relations section of Serenic' website:

- a) all public information that has been disclosed, including all documents filed on SEDAR;
- b) all information that is given to analysts, institutional investors and other market professionals such as fact sheets, fact books, slides of investor presentations and materials distributed at analyst and industry conferences; and
- c) transcripts or replays of shareholder meetings, analysts' conferences, industry conferences or on-line conferences.

Information required to be included in the investor relations section of the website must be posted promptly following the occurrence of the event requiring such inclusion and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. All data posted to the investor relations section of the website, including text and audiovisual material, shall show the date such material was issued. Any material changes in information must be updated immediately. The minimum retention period for material corporate information on the website shall be two years. Information in the investor relations section must be archived when it is no longer current.

The Committee must approve all links from the Serenic website to a third party website. Any such links will include a notice that advises the reader that he or she is leaving the Serenic website and that the Company is not responsible for the contents of the other site. If Serenic is considering a distribution of its securities, the content of its website must be reviewed by the Committee before and during the offering to ensure compliance with applicable securities laws.

The Committee is responsible for responding to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this Policy shall be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to Serenic's activities or its securities. This prohibition is intended to protect the Company from the liability that could arise from the well-intentioned, but sporadic, efforts of employees to correct rumours or defend the Company. Employees who encounter a discussion pertaining to Serenic should advise a member of the Committee immediately, so the discussion may be monitored.

XVII. COMMUNICATION AND ENFORCEMENT

This Policy extends to all employees of Serenic, its Board of Directors and authorized spokespersons. New directors, officers and employees will be provided with a copy of this Policy and will be educated about its importance. This Policy will be posted on the Company's internal website and will be circulated to all employees on an annual basis and whenever changes are made.

Any employee who violates this Policy may face disciplinary action up to and including termination of his or her employment with Serenic without notice. The violation of this Policy may also violate certain securities laws, which could expose individuals to personal liability. If it appears that an employee may have violated such securities laws, Serenic may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Appendix A

Changes in Corporate Structure

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

Changes in Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in the Company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to rights of security holders

Changes in Financial Results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Company's assets
- any material change in the Company's accounting policy

Changes in Business and Operations

- any development that affects the Company's resources, technology, products or markets
- 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 contracts or business
- changes to the Board or executive management, including the departure of the Company's CEO, CFO, COO or president (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Company's securities or their movement from one quotation system or exchange to another

Acquisitions and Dispositions

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

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the Company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement
- procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements