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**IROC ENERGY SERVICES CORP.  
DISCLOSURE, CONFIDENTIALITY  
AND TRADING POLICY**

**Approved By the Board of Directors  
May 26, 2010**

## TABLE OF CONTENTS

PART I INTRODUCTION .....	1
1.1 The Policy .....	1
1.2 Definitions Used in this Policy .....	1
1.3 Application of Policy .....	1
1.4 Questions Concerning this Policy .....	1
PART II DISCLOSURE COMMITTEE, DISCLOSURE CONTROLS AND PROCEDURES .....	2
2.1 Disclosure Committee .....	2
2.2 Disclosure Controls and Procedures .....	2
PART III DISCLOSURE .....	3
3.1 Timely Disclosure .....	3
3.2 Disclosure Officers .....	3
3.3 What Constitutes Material Information? .....	4
3.4 Basic Disclosure Rules .....	4
3.5 Conference Calls; Industry Conferences .....	5
3.6 Forward-Looking Information and “Earnings Guidance” .....	6
3.7 Correction of Selective Disclosure .....	6
3.8 Rumours .....	6
3.9 Contact with Analysts and Others; Analyst Reports .....	6
3.10 Correcting Misrepresentations or Failure to File Material change Report .....	7
3.11 Quiet Periods .....	7
3.12 Notification of Market Surveillance .....	7
3.13 Disclosure Record .....	8
3.14 Electronic Communications; Company Website .....	8
3.15 Disclosure Record .....	8
3.16 Monitoring Developments .....	9
PART IV CONFIDENTIALITY .....	9
4.1 When Information May Be Kept Confidential .....	9
4.2 Access to Confidential Information .....	9
4.3 Disclosure of Confidential Material Information .....	10
4.4 Disclosure of Information to Outsiders .....	10
PART V TRADING POLICY .....	10
5.1 General Prohibition .....	10
5.2 Information Officers .....	10
5.3 Undisclosed Material Information of Other Companies .....	11
5.4 Restricted Persons .....	11
5.5 Blackout Period .....	12
5.6 Insider Trading Reports .....	12
5.7 Short Sales, Puts, Calls and Options .....	12
5.8 Penalties .....	13
5.9 Policy Review and Oversight .....	13

**IROC ENERGY SERVICES CORP.  
DISCLOSURE, CONFIDENTIALITY & TRADING POLICY**

**PART I  
INTRODUCTION**

**1.1 The Policy**

This Policy establishes procedures which are designed to (i) permit the disclosure of information about IROC Energy Services Corp. (“**IROC**” or the “**Company**”) to the public in an informative, timely and broadly disseminated manner, (ii) ensure that non-publicly disclosed information remains confidential, and (iii) ensure that trading of the Company’s securities by directors, officers and employees of IROC and its subsidiaries remains in compliance with applicable securities laws, including provisions imposing civil liability for misleading disclosure in the secondary trading market which came into force under the *Ontario Securities Act* on December 31, 2005. The implementation of such policies and procedures is important to developing sound disclosure practices and maintaining investor confidence, as well as complying with securities laws and the TSX Venture Exchange’s (the “**TSXV**”) rules on disclosure and trading.

IROC’s shares trade on the TSXV under the symbol “**ISC**”.

This Policy has been approved by the directors of IROC.

**1.2 Definitions Used in this Policy**

Certain defined terms used in this Policy are set out in **Schedule “A”**.

**1.3 Application of Policy**

This Policy extends to all Employees of the Company, its subsidiaries, the Partnership, the Board of Directors and all Senior Officers and those authorized to speak on its behalf. It covers disclosures in documents filed with the securities regulators and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, and information contained on the Company’s website and other electronic communications. It also extends to oral statements in meetings and telephone conversations with analysts and investors, interviews with media as well as press conferences and conference calls.

The Company, its directors, officers, authorized spokespersons, insiders and control persons may be liable to investors, subject to certain defences, for misrepresentations in public documents or public oral statements concerning the Company or for failing to make timely disclosure of material changes. It is, therefore, imperative that all Employees and authorized spokespersons of the Company and its subsidiaries comply with this Policy and the Company’s disclosure procedures to ensure timely and accurate public disclosure of information by the Company.

**1.4 Questions Concerning this Policy**

If there is any question or concern with respect to the application of this Policy to any Employee or to any particular circumstance, a member of the Disclosure Committee (Part I), should be contacted for guidance.

**PART II**  
**DISCLOSURE COMMITTEE, DISCLOSURE CONTROLS AND PROCEDURES**

**2.1 Disclosure Committee**

The disclosure Committee shall be comprised of the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), and the Corporate Secretary (and General Counsel if applicable.) The Committee will be chaired by a designated member of the committee and will have a quorum for meetings, as set by the Disclosure Committee, of not less than two members.

The Disclosure Committee will be responsible for (1) overall administration of this Policy, (2) educating Employees regarding the Company's disclosure obligations and trading and tipping restrictions, (3) ensuring that appropriate processes are in place for verifying the accuracy of information disclosed in documents filed with the securities regulatory authorities or otherwise publicly disseminated or contained in public oral statements and ensuring the timely disclosure of material changes in the Company's affairs, (4) reviewing and authorizing disclosure (both written, including "Core Documents" and "Non-core Documents", and oral) before public release, (5) monitoring the Company's website, (6) maintaining a disclosure record, (7) keeping minutes of Committee meetings, (8) ensuring that when public disclosure requires a correction, such corrections are made promptly and under the direct supervision of the Committee, and (9) monitoring the effectiveness of and compliance with this Policy and reporting thereon to the Board annually or more frequently if required (such as in the case of corrections to public disclosure).

The Disclosure Committee will determine when developments not specifically addressed by this Policy require public disclosure or require the imposition of trading restrictions or a blackout period and will determine who specifically is affected by such restrictions. The Committee will meet as conditions dictate. If appropriate, the Committee will review any situation not specifically addressed by this Policy with the Joint Compensation and Governance Committee, the Audit Committee or the Board of Directors of the Company. A written record of decisions will be maintained by the Corporate Secretary.

**It is essential that the Disclosure Committee be fully apprised by all Employees of the Company of all material Company developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of material information or whether the information should remain confidential (in keeping with securities regulations and stock exchange rules), and if so, how that undisclosed confidential information will be controlled and for what time period.**

**2.2 Disclosure Controls and Procedures**

The Committee shall establish specific procedures and timetables which shall be adhered to by the Company and its Employees for the preparation of all disclosure documents, and, wherever practicable, their review by such personnel, the auditors and external legal counsel, as the Committee may determine and, ultimately their dissemination in compliance with this Policy. The Committee may elect to, at any time, adopt controls and procedures that are different than those which have been previously established, provided that such controls and procedures are, in the opinion of the Committee, satisfactory to ensure that disclosure documents are accurate and are disclosed in compliance with applicable laws and with this Policy.

The procedures will involve the following:

- (a) identification of all continuous disclosure requirements under securities laws, rules and policies applicable to the Company;

- (b) identification of the individuals responsible for preparing reportable information and individuals, whether internal or external, responsible for reviewing reports or portions of reports to verify disclosure made with respect to their areas of responsibility or expertise;
- (c) establishment of timetables for the preparation and adequate review of reportable information;
- (d) procedures for obtaining “sign-off” on disclosure of reportable information;
- (e) procedures for the identification and timely reporting to the Committee of information which may constitute material information or which may constitute a material change to previously disclosed material information, including the identification of individuals who have authority to take actions which may constitute material information or who are likely to learn first about events outside the control of the Company that may give rise to material information;
- (f) documenting the procedures followed with respect to the release of each disclosure made in writing and for the review of any disclosure made orally; and
- (g) ongoing evaluation of the Company’s disclosure controls and procedures.

### **PART III DISCLOSURE**

#### **3.1 Timely Disclosure**

IROC will publicly disclose Material Information immediately upon it becoming apparent that the information is material except in restricted circumstances where immediate release of the information would be unduly detrimental to the interests of IROC (and where IROC complies with any confidential filing obligations and maintains confidentiality of the information). Unusual trading marked by significant changes in the price or trading volumes of IROC’s securities prior to the announcement of Material Information may embarrass IROC and may damage its reputation with the investing public.

#### **3.2 Disclosure Officers**

For purposes of this Policy, the CEO, CFO and Corporate Secretary have been designated as Disclosure Officers. The names of these individuals will be given to the applicable market surveillance as IROC contacts.

Generally, the Disclosure Officers are the only individuals authorized to communicate with analysts, the media and investors about information concerning IROC. Employees who are not Disclosure Officers should refer all calls from the financial community, shareholders and media to the Disclosure Officers. If it is appropriate for another Employee to discuss information about IROC the Employee should, if possible, first advise a Disclosure Officer of the nature of the information to be discussed and, afterwards, advise the Disclosure Officer of what actually was discussed. Employees may not communicate Undisclosed Material Information unless they have prior permission from a Disclosure Officer, which permission will not be given unless:

- (a) the information has been publicly disclosed; or
- (b) if it has been determined that the information is to be kept confidential pursuant to Part III of this Policy, all procedures under Part III hereof to maintain confidentiality have been complied with.

In addition, if any Employee becomes aware of any information which may constitute Material Information, the Employee must advise a Disclosure Officer as soon as possible.

The Disclosure Officers as well as corporate counsel must continue to be fully apprised of IROC developments in order that they be in a position to evaluate and discuss those events that may impact on the disclosure process, e.g., the status of any merger activities, material operational developments, extraordinary transactions, etc. The directors must also be kept aware of all material developments and significant information disseminated to the public.

### 3.3 **What Constitutes Material Information?**

Information is material if it would reasonably be expected to result in a significant change in the market price or value of any of IROC's securities. A good rule of thumb is that if the information would influence an Employee's decision to buy or sell securities of IROC, the information is probably material. If an Employee is unsure whether or not information is material, the Employee should immediately contact a Disclosure Officer before disclosing it to anyone. Employees should err on the side of caution in such matters. If the Disclosure Officer is unable to determine whether or not the information is material, he may convene a meeting of senior management and, if necessary, the directors, to determine if the information is material, whether or not it should be disclosed or remain confidential, and if the information needs to be disclosed, the method for disseminating the information.

Developments, whether actual or proposed, which are likely to give rise to material information and thus to require prompt disclosure may include, but are not limited to those events listed on **Schedule "B"**.

### 3.4 **Basic Disclosure Rules**

All public disclosure of Material Information pursuant to this Policy must be made by way of press release disseminated through a widely circulated newswire service company.

In order to maintain consistent and accurate disclosure about IROC, the following principles should generally be followed:

- (a) half truths are misleading. Disclosure must include any information without which the rest of the disclosure would be misleading;
- (b) unfavourable information must be disclosed as promptly and completely as favourable information;
- (c) no selective disclosure. Previously undisclosed information may not be disclosed to selected persons; if there is disclosure it must be made widely, i.e. by way of a press release;
- (d) disclosure must be updated if earlier disclosure has become misleading as a result of intervening events; and
- (e) if Material Information is to be announced at an analyst or shareholders' meeting or a press conference or other forum, its announcement must be coordinated with an advance general public announcement by a press release containing the relevant information.

IROC has developed and intends to maintain a routine procedure for all corporate communications. The procedure consists of drafting a press release, circulating it for review to the Disclosure Officers, the directors (with respect to material announcements or announcements involving "earnings

guidance” or financial results), and other officers as appropriate, alerting the TSXV and disseminating the release through a national wire service and other distribution channels so as to effect broad dissemination to the public.

IROC recognizes that posting information to its website will not, by itself, ordinarily satisfy the “generally disclosed” requirement of securities legislation. IROC will, however, endeavour to concurrently post to its website all documents filed on SEDAR in an effort to improve investor access to its information. Where practicable, IROC will also endeavour to post on its website all supplemental information that is given to analysts, institutional investors and other market professionals such as data books, fact sheets, slides of investor presentations or other relevant materials.

Any news release containing “earnings guidance” or financial information based on IROC’s financial statements (prior to the release of such financial statements) should be reviewed by the directors or the audit committee of the board of directors. Where feasible, IROC will endeavour to issue earnings news releases concurrently with the filing of its quarterly or annual financial statements (or otherwise make those financial statements available, for example, by including them as part of the news release).

Any investor presentation materials must be circulated to the Disclosure Officers for review and also to the Audit Committee.

### **3.5 Conference Calls; Industry Conferences**

Conference calls may be held for quarterly and annual earnings and major corporate developments, where discussion of key aspects is accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. Such calls will be preceded by a press release containing all relevant Material Information. At the beginning of the call, an IROC spokesperson will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing, if applicable, the assumptions, sensitivities and a discussion of the risks and uncertainties. An IROC representative should take notes on any matter discussed on the conference call that may not have been publicly disclosed.

IROC will provide advance public notice of the conference call and webcast by issuing a press release announcing the date and time, the subject matter of the call and providing information on how interested parties may access the call and webcast and, if applicable, information regarding the availability of any archived webcast or transcript of the call. In addition, IROC may send invitations to analysts, institutional investors, the media and others invited to participate. A tape recording of the conference call and/or an archived audio webcast or transcript on the Internet will be made available following the call for a reasonable period of time (generally a minimum of 30 days), for anyone interested in listening to a replay.

In advance of an analyst conference call or industry conference, to the extent practicable, IROC will endeavour to script comments and responses to anticipated questions to identify Material Information that should be publicly disclosed and will limit comments and responses to non-material information and Material Information that has previously been publicly disclosed. After the call or presentation a debriefing should be conducted by the Disclosure Committee to review what was actually said and a record of the debriefing and of what was said in the call or presentation should be filed in the disclosure record. If the Disclosure Committee determines there was any unintentional selective disclosure, immediate steps should be taken to make a full public announcement.

### 3.6 **Forward-Looking Information and “Earnings Guidance”**

Subject to the approval and disclosure procedures provided elsewhere in this Policy, IROC may provide limited forward-looking information to enable shareholders and the investment community to better evaluate IROC and its prospects. IROC will ensure that such statements are identified as forward-looking. Moreover, such statements will be accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those projected in the statements and a description of the factors or assumptions that were used in making the forward-looking statements.

IROC, to the extent practicable in the circumstances, will update forward-looking statements which continue to be material and which change materially.

### 3.7 **Correction of Selective Disclosure**

If previously Undisclosed Material Information has been inadvertently disclosed to an analyst or any other person, the information must be publicly disclosed immediately by way of press release. The TSXV should be contacted and a halt in trading in IROC securities should be requested pending the issuance of the press release. Pending the public release of the Material Information, the parties who have knowledge of the information should be advised that the information is material and has not been generally disclosed.

### 3.8 **Rumours**

Rumours can cause unusual market activity. IROC will respond consistently to market rumours in the following manner: “it is our Policy not to comment on market rumours or speculation”. If market activity indicates that trading is being unduly influenced by rumours, the TSXV may request, or IROC may determine, that a clarifying statement be made through a press release. A trading halt may be instituted or requested pending an announcement by IROC. If the rumour is true, either in whole or in part, immediate disclosure will generally be required. The determination to make disclosure will be made by the Disclosure Officers.

### 3.9 **Contact with Analysts and Others; Analyst Reports**

IROC recognizes that meetings with analysts and significant investors are an important element of IROC’s investor relations program. IROC will meet with analysts and investors on an individual or small group basis (including participating in industry conferences) as needed and will initiate contacts or respond to calls in a timely, consistent and accurate fashion in accordance with the requirements of this Policy. IROC recognizes, however, that private meetings with analysts and other small group meetings carry with them the risk of inadvertent selective disclosure which should be avoided. A debriefing will be held following any such meeting and if it is determined that previously undisclosed material information has been disclosed, IROC will immediately disclose such information generally to the public by news release and, if required, file a material change report. A record of what was said at the meeting and at the debriefing should be filed as part of the disclosure record.

The Disclosure Officers should avoid getting involved in the contents of an analyst’s report, except to correct factual errors. Confirmation of or attempting to influence an analyst’s opinions or conclusions may be considered to be selective disclosure by IROC. “No comment” is an acceptable answer to questions that cannot be answered without violating the rule against selective disclosure. With regard to responding to financial models or drafts of analysts’ reports, it is IROC’s Policy to review, on request, the model or report for publicly disclosed factual content only (not “soft” information) and to give guidance only when assumptions have been made on the basis of incorrect public data that render unrealistic conclusions. It

is imperative that the control of this process be centralized through the Disclosure Officers. IROC should confirm in writing that its review has been limited to publicly available factual information and detail what information (if any) has been provided. IROC will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with an analyst's model or earnings estimate. Meetings with analysts may include general discussions regarding IROC's prospects, business environment, management philosophy and long-term strategy but should avoid discussions regarding non-publicly disclosed Material Information.

IROC will generally not redistribute analyst reports to persons outside of IROC (including by posting such reports on its website). Only upon specific request will copies of analysts' reports be made available provided prior consent is given from the analyst. IROC will monitor analysts' reports to remain generally aware of analysts' views on IROC's future financial results.

IROC will consider including in its regular periodic disclosures (such as its quarterly and annual management's discussion and analysis disclosure) details about topics of interest to analysts, investors and other market participants as a means of providing more information to the marketplace generally and limiting its "selective disclosure" risks.

### **3.10 Correcting Misrepresentations or Failure to File Material change Report**

IROC is committed to maintaining a public disclosure record that is complete and accurate and free of material misrepresentations.

Any Employee or director who becomes aware of any misrepresentation or alleged misrepresentation in any disclosure documents of IROC or in any oral statements made in a conference call or meeting with analysts or investors or of any material change or potential material change in the business or affairs of IROC that has not been publicly disclosed will immediately advise a member of the Disclosure Committee.

A meeting of the Disclosure Committee will be called as soon as practical to review the matter and determine the course of action to follow. If it is determined that a material misrepresentation has been made in IROC's public disclosure or that a material change has occurred but not been publicly disclosed, IROC will prepare and issue a press release describing and correcting the misrepresentation or the material change, and, if required, file a material change report as soon as reasonably possible in the circumstances.

### **3.11 Quiet Periods**

In order to limit the potential for selective disclosure (and the perception or appearance of selective disclosure), IROC will observe a "quiet period" during which time there will be no comment on analysts' earnings or other estimates or any other comments with respect to the current financial period's operations or expected results. The quiet period will normally commence on the last day of each quarterly financial period and end at the end of the business day following the issuance of a press release disclosing the results for the period.

### **3.12 Notification of Market Surveillance**

When the TSX is open for trading, advance notice of a press release announcing Material Information must be provided to the appropriate market surveillance organization (or similar department) of the TSX to determine if a halt in trading is necessary to provide time for the appropriate market to digest the news. When a press release announcing Material Information is issued outside of trading hours, the market surveillance organization should be notified before the market opens. Copies of all press releases should be

supplied to the appropriate market surveillance organization and to the relevant securities regulators immediately.

### 3.13 **Disclosure Record**

The Disclosure Officers will maintain a file containing all public information about IROC. This includes news releases, brokerage research reports, reports in the press and notes from meetings with analysts, shareholders and other market parties. These materials will be maintained for at least five years.

### 3.14 **Electronic Communications; Company Website**

This Policy also applies to electronic communications, including IROC's website. Accordingly, officers and personnel responsible for written and oral public disclosures will also be responsible for electronic communications.

The CFO is responsible for updating the investor relations section of IROC's website and for monitoring all information placed on the website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

Disclosure on IROC's website alone does not constitute adequate disclosure of information that is considered Undisclosed Material Information. Any disclosure of Material Information on the website will be preceded by the issuance of a press release. IROC will, however, endeavour to concurrently post to its website all documents filed on SEDAR in an effort to improve investor access to its information. Where practicable, IROC will also endeavour to post on its website all supplemental information that is given to analysts, institutional investors and other market professionals such as data books, fact sheets, slides of investor presentations or other relevant materials.

The Chief Executive Officer or Chief Financial Officer are also responsible for responses to electronic inquiries. Only public information or information which could otherwise be provided in accordance with this Policy will be utilized in responding to electronic inquiries.

In order to ensure that no Undisclosed Material Information is inadvertently disclosed, Employees may not participate in Internet chat rooms or newsgroup discussions on matters pertaining to IROC's activities or its securities. Employees who encounter a discussion pertaining to the Company should advise the Director of Corporate Finance and Investor Relations promptly, so that discussion may be monitored, if determined appropriate.

IROC will not host or link to chat rooms, bulletin boards or news groups and will not link to or post analyst's reports on its website.

### 3.15 **Disclosure Record**

The Corporate Secretary will be responsible for maintaining a file containing a record of all public disclosure material concerning IROC.

- (a) minutes of Disclosure Committee meetings;
- (b) disclosure documents and press releases;
- (c) transcripts or tape recordings of conference calls; and

- (d) notes from meetings with analysts and investors.

The Corporate Secretary will be responsible for maintaining a detailed record of the procedures followed and steps taken to prepare and finalize disclosure documents, other than annual and interim financial statements and related MD&A. The Corporate Secretary will be responsible for maintaining a detailed record of the procedures followed and steps taken to prepare and finalize annual and interim financial statements and related MD&A. Such procedures and steps will include maintaining copies of all drafts of the disclosure documents prepared, reviewed and signed off by officers and heads of relevant business areas

All such materials shall be retained for a minimum of six years following the year in which they were prepared.

### 3.16 **Monitoring Developments**

The Disclosure Committee will appoint a person or persons (which may include outside counsel) to keep informed regarding developments in securities law affecting disclosure practices and to monitor disclosure practices of IROC's competitors. Such person(s) will advise the Disclosure Committee periodically and promptly in the event of any major development in the law or such practices.

## **PART IV CONFIDENTIALITY**

### 4.1 **When Information May Be Kept Confidential**

Where the immediate disclosure of Material Information would be unduly detrimental to the interests of IROC, its disclosure may be delayed and kept confidential temporarily. Keeping information confidential can only be justified where the potential harm to IROC or to investors caused by immediate disclosure may reasonably be considered to outweigh the undesirable consequences of delaying disclosure and where confidentiality of the information is maintained.

Examples of circumstances in which disclosure might be unduly detrimental to the interests of IROC include: (a) where the release of information would prejudice the ability of IROC to pursue specific and limited objectives or to complete a transaction or series of transactions that are underway; (b) where the disclosure of the information would provide competitors with confidential corporate information that would be of significant benefit to them; and (c) where the disclosure of information concerning the status of ongoing negotiations would prejudice the successful completion of those negotiations.

All decisions to keep Material Information confidential must be made by either the senior management or the directors of IROC in conjunction with the Disclosure Committee. In such circumstances, IROC will comply, as considered appropriate in the circumstances, with any obligation to make a confidential filing with applicable securities regulators and maintain confidentiality of the information.

### 4.2 **Access to Confidential Information**

Employees will be given access to confidential information on an "as needed" basis only and must not disclose that information to anyone except with the prior approval of a Disclosure Officer and where such disclosure is in the necessary course of business (e.g., discussions with IROC's bankers or advisers where the disclosure of the confidential information is necessary and the persons receiving it understand that it is to be kept confidential). Other circumstances where disclosure may be considered in the "necessary course of business" may include communications with: (i) vendors, suppliers or strategic partners;

(ii) employees, officers and directors; (iii) lenders, legal counsel, auditors, financial advisors and underwriters; (iv) parties to negotiations (e.g., in connection with a private placement or acquisition); (v) labour unions and industry associations; (vi) government agencies and non-governmental regulators; and (vii) credit rating agencies. Selective disclosure of Material Information to an analyst, institutional investor or other market professional is not generally considered in the “necessary course of business”. Employees must not discuss confidential information in situations where they may be overheard or participate in discussions regarding decisions by others about investments in IROC. Restricted Persons who are in the possession of Material Information must show a duty of care when handling such information so that it does not come into the possession of unauthorized parties or is misused.

#### 4.3 **Disclosure of Confidential Material Information**

In the event that confidential material information, or rumours respecting the same, is divulged in any manner (other than in the necessary course of business), IROC is required to make an immediate announcement on the matter. The TSXV must be notified of the announcement in advance in the usual manner.

#### 4.4 **Disclosure of Information to Outsiders**

Before a meeting with other parties at which Undisclosed Material Information of IROC may be discussed in compliance with this Policy, the other parties should be told that they must not divulge that information to anyone else, other than in the necessary course of business, and that they may not trade in IROC’s securities until after the information is publicly disclosed and a reasonable period of time for its dissemination has passed. In such circumstances, the parties must sign a statement regarding confidentiality and trading prohibition, attached as **Appendix A**.

### **PART V TRADING POLICY**

#### 5.1 **General Prohibition**

No Employees or Restricted Persons may trade in the securities of IROC when they are aware of Undisclosed Material Information, regardless of whether or not a specified Blackout Period has been imposed. In addition, Employees or Restricted Persons are prohibited from informing, or “tipping”, anyone else about that information, or informing anyone else about an imposed Blackout Period. Anonymous disclosure of information is also prohibited. This prohibition extends to other securities whose price or value may reasonably be expected to be affected by changes in the price of IROC’s securities and includes the granting or exercise of stock options. Rapid buying and selling by Employees and Restricted Persons of IROC’s securities is strongly discouraged because of the possible perception of trading on Undisclosed Material Information.

#### 5.2 **Information Officers**

For purposes of this Policy, Tom Alford, President and CEO, (primary), Ryan Michaluk, CFO (backup), and Tim Sebastian, Corporate Secretary (backup) have been designated as the Information Officers and can be contacted at (403) 263-1110. At any time, Restricted Persons must properly investigate whether non-public Material Information about IROC’s securities exists before trading or inciting anyone to trade securities issued by IROC. All Restricted Persons are required to submit a request for clearing of securities trading prior to commencing any transactions involving IROC’s securities by using the form attached as **Appendix B**. If it is determined that Material Information exists that has not been publicly disclosed, the clearing request will be refused.

### 5.3 **Undisclosed Material Information of Other Companies**

Where Employees or Restricted Persons become aware of Undisclosed Material Information concerning another public company, they may not trade in the securities of that company until the information is publicly disclosed and a reasonable period of time for its dissemination has passed. Generally, a “reasonable period of time” will be two business days; however, it may be longer depending upon the particular market following of that other company. An Information Officer should be consulted to determine what would be a “reasonable period of time” in the circumstances.

### 5.4 **Restricted Persons**

Restricted Persons are prohibited from trading whenever there are Pending Material Developments, even if they are unaware of the details of the same. In the circumstances where there is Pending Material Information with respect to IROC, a communication will be sent to all Restricted Persons if it is determined appropriate, informing them of the Blackout Period with respect to such Pending Material Development at which time they shall cease trading until further notice. No reason for the trading restriction will be provided.

As an alternative to a total prohibition on trading during a Blackout Period, senior management may make the determination that trades may occur during the Blackout Period but only with the express prior approval by the Information Officer of each such trade. This alternative will only be available during a Blackout Period if the written notice of such Blackout Period so states.

Senior management is responsible for making the determination as to when a pending transaction would constitute a Pending Material Development. As guidance, a Blackout Period must at least commence once negotiations on a proposed transaction have progressed to a point where it reasonably could be expected that the market price of IROC’s securities would materially change if the status of the transaction were publicly disclosed.

## 5.5 Blackout Period

No Employee or other Restricted Person shall trade in IROC's securities when Material Information has not been disclosed and for a reasonable period of time following the disclosure of that information. Open orders must also be cancelled during a Blackout Period. The purpose of the Blackout Period is to allow the market to fully reflect the Material Information in the price of IROC's securities. The Information Officers, in consultation with senior management, will be responsible for setting the length of the Blackout Period and notifying Employees and Restricted Persons of it. Once notified of a Blackout Period, Restricted Persons are prohibited from disclosing non-routine Blackout Periods to others. Non-routine Blackout Periods for non-routine and unscheduled announcements will commence when such information is made public and will be in effect until two business days following the release of the announcement. Routine Blackout Periods for routine and scheduled announcements, that can often be material, such as quarterly and annual financial information, will be set as follows:

		<b>Blackout Period will be in effect from:</b>	<b>Blackout Period will be in effect until:</b>
Following Quarter	1 <sup>st</sup>	May 10	The end of the second business day following the quarter results news release
Following Quarter	2 <sup>nd</sup>	August 10	
Following Quarter	3 <sup>rd</sup>	November 10	
Following Quarter	4 <sup>th</sup>	April 1	

Within the routine Blackout Periods, the Information Officer or the board of directors can make individual determinations on whether there is any undisclosed Material Information, as required.

## 5.6 Insider Trading Reports

Directors, senior officers and persons beneficially owning or controlling 10% or more of the voting rights of the Company are required to file insider trading reports within 10 days of a change in their ownership position in any securities of IROC to the TSXV (this includes the grant of options or other convertible securities to such persons or the exercise by them of such options or convertible securities). Such persons are also required to file an "initial" insider report within ten days of the date on which the person or the Company became an insider (an initial report is not required, however, when a person becomes an insider if he/she has no direct or indirect beneficial ownership, control or direction over securities of IROC). If a person falls into one of these categories, that person likely will be required to file insider trading reports in other provinces and should consult the Information Officer as soon as possible whenever the individual trades securities to confirm his/her statutory obligations.

Please refer to **Appendix C** for more information on Insider Filing/Reporting Requirements.

## 5.7 Short Sales, Puts, Calls and Options

No Employee or Restricted Person shall sell the shares of IROC short or buy puts underlying IROC's Shares.

## 5.8 **Penalties**

When Employees or Restricted Persons violate this Policy it causes embarrassment to IROC. As a result, IROC may take its own disciplinary actions, which could result in termination of employment or implementation of a probationary period. IROC is also entitled to pursue legal remedies through the courts. If appropriate, IROC will also report the matter to the appropriate regulatory authorities.

The prohibition against the misuse of Undisclosed Material Information as set forth in Canadian and Norwegian securities legislation can be enforced through a wide range of penalties, including: (a) fines and penal sanctions; (b) civil actions for damages; (c) an accounting to IROC for any benefit or advantage received; and (d) administrative sanctions by securities commissions, such as cease trade orders and removal of exemptions.

## 5.9 **Policy Review and Oversight**

IROC will review this Policy annually to ensure that it is achieving its purpose. Based on the results of the review, the Policy may be revised accordingly. The Chief Financial Officer of IROC shall be responsible for initiating the annual review.

The Chief Financial Officer subject to the approval of the directors shall have overall responsibility for developing and implementing this Policy, monitoring the effectiveness of and compliance with this Policy, educating IROC's directors, officers and employees about the Policy and monitoring IROC's website.

## SCHEDULE "A"

### DEFINITIONS

**"Blackout Period"** means the period during which Employees and Restricted Persons are prohibited from trading in IROC's securities;

**"Close Associate"** means:

- (a) a person who is the shareholder's spouse or a person with whom the shareholder co-habits in a relationship akin to marriage;
- (b) the shareholder's under-age children, and under-age children of a person with whom the shareholder co-habits in a relationship akin to marriage;
- (c) an undertaking in which the shareholder or his/her Close Associate has control (i.e.: a majority of the voting rights or the right to choose or dismiss a majority of the board members); or
- (d) a party with whom the shareholder is acting jointly or in concert;

**"Core Documents"** means a prospectus, a take-over bid circular, an issuer bid circular, a directors' circular, a rights offering circular, management's discussion and analysis, an annual information form, an information circular, annual financial statements, interim financial statements and material change reports;

**"Disclosure Officers"** means the individuals who are responsible for communicating with analysts, the news media and investors and ensuring that other Employees do not communicate confidential information about IROC;

**"Employees"** means all individuals currently employed by IROC and its subsidiaries, including directors and officers, who may become aware of Undisclosed Material Information;

**"Information Officers"** mean the individuals whom Employees or Restricted Persons may contact to determine whether or not they may execute trades in the market or reveal Undisclosed Material Information in the necessary course of business;

**"Material Change"** means a change in the business, operations or capital of IROC that would reasonably be expected to have a significant effect on the market price or value of any of the securities of IROC and includes a decision to implement the change by the directors of IROC or by senior management of IROC who believe that confirmation of the decision by the directors is probable;

**"Material Fact"** means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of IROC's securities;

**"Material Information"** means any information (Material Fact or Material Change) relating to the business and affairs of IROC that results in or would reasonably be expected to result in a significant change in the market price or value of any of IROC's securities;

**"Non-core Documents"** means a document, other than a Core Document, that is filed whether or not it is required to be filed) with a securities regulator, a government, or government agency under applicable securities or corporate law or with any stock exchange under its by-laws, rules or regulations or any other

communication the content of which would reasonably be expected to affect the market price or value of the Company's securities;

**"Partnership"** means the IROC Energy Services Partnership

**"Pending Material Developments"** means a proposed transaction of IROC that would constitute Material Information, however, a decision to proceed with the transaction has not been made by the directors or by senior management, although there is an expectation of concurrence from the directors;

**"Restricted Persons"** means:

- (a) directors and officers of IROC; and
- (b) Employees of IROC; and
- (c) a person employed by IROC or retained by it on a professional or consulting basis; and
- (d) affiliates or associates of IROC; and
- (e) a person proposing to become a party to a reorganization, amalgamation, merger, or similar business relationship with IROC; and
- (f) a person who receives specific confidential information from a person previously described;

**"Senior Officers"** means the Chief Executive Officer, President, Chief Financial Officer, and Corporate Secretary;

**"TSXV"** means the TSX Venture Exchange or such other stock exchange on which securities of IROC are listed; and

**"Undisclosed Material Information"** means Material Information pertaining to IROC that has not been publicly disclosed or information that has been publicly disclosed, but a reasonable period of time for its dissemination has not passed.

## **SCHEDULE “B”**

### **EXAMPLES OF POTENTIALLY MATERIAL INFORMATION**

The following are examples of the types of events or information which may be material. This list is not exhaustive.

#### **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 or 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, or production
- 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 losses of significant contracts or business
- significant resources discoveries
- changes to the board of directors or executive management, including the departure of the Company's CEO or CFO (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

#### **Other**

- any other developments relating to the business and affairs of IROC that would reasonably be expected to significantly affect the market price or value of any of IROC's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

Statement regarding confidentiality and trade prohibition

**CONFIDENTIALITY STATEMENT**

The undersigned hereby irrevocably declares to keep confidential all information which is not publicly available or commonly known in the market regarding IROC Energy Services Corp. ("IROC"), its subsidiaries and the Partnership, which will be disclosed to the undersigned in connection with discussions and/or evaluations related to *[Insert information on the nature of the information, e.g. in connection with "the undersigned's possible participation in an underwriting syndicate for subscription of shares in IROC"]*. Moreover, the undersigned undertakes not to enter into any agreement regarding purchase, sale or subscription of securities issued by IROC or to rights to such securities, before the information has been made publicly available or commonly known in the market, or it no longer will affect the price of IROC's securities.

The undersigned has, upon signing of this statement, presupposed that IROC at all times will meet its disclosure requirement in accordance with prevailing securities legislation.

\_\_\_\_\_  
Place

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (CAPITAL LETTERS)

To:  
CC:

Submit via:

**Declaration regarding trade in Financial instruments issued by IROC Energy Services ("IROC")**

The undersigned requests a preliminary statement for:

Transaction/Type of securities	Purchase/subscription	Sale	Exchange	No.	Comments
Shares					
Bonds					
Other (specify)					

(place/date) \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**You are responsible for ensuring your request has been received and reviewed by either the Chief Executive Officer or the Chief Financial Officer before proceeding.**

**INSIDER FILING/REPORTING REQUIREMENTS**

Insiders, defined as directors and officers of the company, are required to file all transactions involving IROC securities via the System for Electronic Disclosure by Insiders (“SEDI”).

Processes for each of these filings are briefly described below. For additional information or assistance in completing the insider reporting forms, please contact the Chief Financial Officer at (403) 263-1110.

**Filing via SEDI**

Insiders, defined by applicable securities law, are required to file their transactions in IROC securities within 10 calendar days of the change in holdings. Insiders are also required to file notification of transactions to a child’s RESP, a spousal RRSP, or when placing shares in trust for another individual and the insider remains the registered owner of the securities. To file insider transactions using SEDI, you must first be set up as a *SEDI User* or *SEDI Agent*.