

**INSIDER TRADING POLICY
TERVITA CORPORATION**



EARTH MATTERS

INSIDER TRADING POLICY

1. PURPOSE

Securities legislation imposes prohibitions against trading securities when a person possesses Material Non-Public Information (as defined herein) and tipping, in addition to imposing certain restrictive periods for trading and requiring insiders to publicly report on their trading activities. The purpose of this insider trading policy (this "**Policy**") is to explain certain legal concepts and to implement certain rules with respect to the trading and reporting of trading in the Securities (as defined below) by certain persons who are either employed by Tervita Corporation and its subsidiaries (collectively, the "**Corporation**") or in a particular relationship with the Corporation.

The procedures and restrictions set forth in this Policy present only a general framework within which individuals may purchase and sell Securities without violation of applicable securities laws. Each individual has the ultimate responsibility for complying with applicable securities laws and should obtain additional guidance, including independent legal advice, as may be appropriate for his or her own circumstances.

This Policy will be reviewed annually by the governance committee of the Board of Directors (the "**Board**") and any amendments to this Policy shall be subject to approval by the Board.

Any breach of this Policy is a serious offence which may lead to discipline by appropriate regulatory authorities, including possible fines and imprisonment. Any failure to adhere to the requirements specified herein also constitutes grounds for immediate dismissal with cause.

2. SCOPE

This Policy applies to all persons in a "special relationship" with the Corporation (as described below), however, where indicated, certain rules set forth herein may apply solely to a particular class (or classes) of persons in a "special relationship" with the Corporation.

This Policy applies to any and all transactions in the Securities (including its common shares and options to purchase common shares, warrants and any other type of securities that the Corporation may issue in the future). Any references herein to "trades" or "trading" (and similar terms) include any transaction involving the Securities.

3. DEFINITIONS

"Blackout Period" means the period during which trading in the Securities is prohibited.

"Designated Individuals" means all individuals who are (i) directors of the Corporation; (ii) executive officers of the Corporation; or (iii) involved in the preparation and/or review of the Corporation's financial statements or with knowledge of financial results and information therein contained. A list of Designated Individuals will be maintained by the CFO and all affected individuals will be advised of their status.

"Material Change" means a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of any of the Securities and includes a decision to implement the change made by the Board or senior management, who believe that confirmation by the Board 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 the Securities;

"Material Information" is any information (including a Material Fact or a Material Change) relating to the business and affairs of the Corporation that an investor could reasonably be expected to take into account in making an investment decision regarding the Securities, or that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Securities. Both positive and negative information may be material. Examples of such information that would ordinarily be considered Material Information include:

- (a) financial performance, especially annual or quarterly financial results;
- (b) significant changes in management;
- (c) significant shifts in operating or financial circumstances, such as major write-offs and changes in earnings projections;
- (d) borrowing of a significant amount of funds;
- (e) acquisitions of, or mergers with, other companies;
- (f) significant new contracts or loss of business;
- (g) share issuances or repurchases; and
- (h) actual or threatened litigation, or the result of such litigation.

This list is not intended to be exhaustive. Other information may also constitute Material Information of the Corporation.

"Material Non-Public Information" includes any Material Information which has not been generally disclosed to the public. An assessment of whether information has been generally disclosed to the public must be made with caution. It should be assumed that information has not been generally disclosed to the public unless it has been disclosed via news release in a sufficiently wide circulation and manner so as to reach the public and the public has had a sufficient opportunity to become aware of the information.

"Reporting Insider" has the meaning set forth in Section 9.1 below.

"Securities" is broadly defined and includes the Corporation's shares, debt instruments, puts, calls, options or other rights or obligations to purchase or sell securities of the Corporation, or any security the market price of which varies with the market price of the securities of the Corporation.

"Special Relationship" means persons in a special relationship with the Corporation and may include (but is not limited to):

- (a) directors, officers and employees of the Corporation;
- (b) any person retained by or engaged in any business or professional activity with or on behalf of the Corporation (such as a consultant, independent contractor or adviser);

- (c) a family member, spouse or other person living in the household or a dependent child of any of the individuals referred to above;
- (d) partnerships, trusts, corporations, RRSP's and similar entities over which any of the above-mentioned individuals exercise control or direction;
- (e) directors and officers of corporations which have a significant investment (more than 10%) in the Corporation's equity; and
- (f) any person who learns of a material fact or material change from any person referred to above.

4. INSIDER TRADING AND TIPPING

No person in a Special Relationship with the Corporation shall trade in the Securities of the Corporation while such person is aware of Material Non- Public Information.

Subject to any exemption provided herein, it is illegal for any person in a Special Relationship with the Corporation to purchase, sell or otherwise trade the Securities with the knowledge of Material Non-Public Information. It is also illegal for any person in a Special Relationship with the Corporation to give Material Non-Public Information to others, other than in the necessary course of the Corporation's business.

Individual employees are not to consider whether the "necessary course of business" exception is applicable in the circumstances. Determination of whether this exception applies shall only be made by the Chief Financial Officer (in consultation with outside legal counsel, the "CFO") of the Corporation.

When an individual with a Special Relationship with the Corporation has concerns about whether or not certain information is Material Non-Public Information, that individual should contact the CFO to obtain clarification and permission before executing any trades in Securities in order to determine if whether that information is such that it may influence an individual in a Special Relationship to buy or sell Securities of the Corporation.

Employees, officers and directors that acquire Securities through an automatic share purchase plan or an automatic dividend reinvestment plan will not be held in breach of this Policy regardless of whether or not they had knowledge of Material Non-Public Information, so long as the plan was entered into by the employee, officer or director before they acquired the knowledge.

5. CONFIDENTIALITY OF MATERIAL NON-PUBLIC INFORMATION

No individual in a Special Relationship shall reveal Material Non-Public Information to any outside person (including family members, analysts, individual investors and members of the investment community and news media) unless the disclosure occurs in the necessary course of business (for example, discussions with the Corporation's bankers or advisors).

The CFO should be consulted to determine if it is appropriate to reveal the Material Non-Public Information in the circumstances. In any instance where such information is disclosed to outsiders, the outsider should be advised that they must not disclose the information to anyone else, other than in the necessary course of business of the Corporation, and that they may not trade in securities of the Corporation until the information has been generally disclosed.

No individual in a Special Relationship shall give trading advice of any kind about the Corporation to anyone while in possession of Material Non-Public Information.

6. LIABILITY

Applicable securities laws provide that every person or company in a Special Relationship with the Corporation, who purchases or sells Securities with the knowledge of Material Non-Public Information, and every person who communicates knowledge of Material Non-Public Information to another person or company (other than in the necessary course of business) who thereafter purchases or sells Securities, is liable and subject to imprisonment and to fines in an amount equal to up to triple the profit made or the loss avoided by the person or company by reason of the contravention.

7. SECURITIES OF OTHER COMPANIES

In the course of the Corporation's business, persons in a Special Relationship with the Corporation may obtain information about another publicly traded company that has not been generally disclosed. Securities laws generally prohibit such individuals from trading in securities of that other company while in possession of such information or communicating such information to another person. The restrictions set out in this Policy with respect to insider trading and tipping apply to all persons in a Special Relationship with the Corporation with respect to trading in the securities of another company while in possession of such information, and communicating such information.

8. TRADING WINDOWS AND BLACKOUT PERIODS

8.1 Scheduled Blackout Periods

Scheduled Blackout Periods for Designated Individuals commence on the day following the end of a quarter and continue through the end of two (2) full days of trading following the issuance of a news release disclosing quarterly and/or annual financial results.

8.2 Blackout Periods Following Release of Material Information

Designated Individuals and all other individuals having actual knowledge of material information which the Corporation conveys to the public by way of news release are prohibited from trading in the Securities for two (2) full trading days following the date of issuance of such news release, other than in connection with participating in a public offering or private placement of Securities of the Corporation.

8.3 Extraordinary Blackout Periods

In addition to the regularly scheduled Blackout Periods and Blackout Periods following the release of material information, additional Blackout Periods may be prescribed from time to time by the CFO at any time at which it is determined there may be undisclosed Material Non-Public Information concerning the Corporation that makes it inappropriate for individuals to be trading. Such individuals will be advised if the Corporation believes that they should not trade in Securities until further notice. This notice will contain a reminder that the fact that there is a restriction in trading may itself constitute insider information or information that may lead to rumours and must be kept confidential.

8.4 Blackout Period Confidential

No employee, director or officer of the Corporation may disclose to any outside party that a Blackout Period has been designated.

8.5 Discretionary Exemptions

The Corporation's priorities in implementing and enforcing this Policy are to ensure proper compliance with all relevant statutory requirements and to avoid both the occurrence of any inappropriate actions and the appearance of impropriety, which could irreparably harm the Corporation, its employees and shareholders. However, the Corporation understands that in certain circumstances, strict adherence to blackout rules without consideration of external factors could be unreasonably prejudicial to certain individuals. Therefore, in the event that a person who is subject to any of the Blackout Periods described in this Policy believes he or she would be unduly prejudiced by adherence to the Blackout Periods, such person may request that the CFO provide, on behalf of the Corporation, specific permission for such person to trade during the Blackout Period.

Notwithstanding the foregoing, **the Corporation has absolutely no obligation whatsoever to grant any such permission** and the CFO may consider any matters that he or she, in their sole discretion (which discretion may be exercised without reasons), deems appropriate. The requisitioning individual may not make any such trade until her or she has received specific approval.

9. ADDITIONAL REQUIREMENTS FOR "REPORTING INSIDERS"

In addition to the insider trading prohibitions that apply to all persons in a Special Relationship with the Corporation, there are additional, related requirements that apply solely to a particular class of such persons, defined as "Reporting Insiders" below.

9.1 Who is a Reporting Insider of the Corporation?

All officers of the Corporation appointed to such office by the Board, every person in senior management or within a higher division of the Corporation and every director elected to the Board is a "Reporting Insider" of the Corporation. In addition, each director on the board of a "significant shareholder" (a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, Securities of the Corporation carrying more than 10 per cent of the voting rights of the Corporation's voting securities) of the Corporation is a Reporting Insider. Other individuals may be designated as Reporting Insiders by the Corporation's CFO, in consultation with the Chair of the Board (the "**Chairman of the Board**") and the Chief Executive Officer (the "**CEO**") of the Corporation, in view of such individuals' roles and responsibilities. Those individuals designated as Reporting Insiders will be informed by the CFO.

9.2 Pre-Clearance of Trades

Prior to executing a trade, a Reporting Insider must acquire written approval of the proposed trade from the CFO. Approval of a proposed trade may be denied if corporate circumstances require. The CFO may consult internally as necessary, including with the Chairman of the Board and the CEO.

The pre-approval process for Reporting Insiders is intended to address instances where important issues arise that may not be disseminated to a Reporting Insider at precisely the time that they arise. In such circumstances, the Corporation wishes to avoid the potential for

a Reporting Insider to be trading in the Securities during a period when the Corporation is involved in either considering or attempting to resolve such issues. The Reporting Insider's lack of specific knowledge of such issues does not preclude personal embarrassment and/or potential liability of the Reporting Insider and the Corporation.

9.3 What to Report

If you are an insider of the Corporation, applicable securities legislation requires you to disclose your direct and indirect beneficial ownership of, or control or direction over, securities of the Corporation including options or rights to acquire any securities of the Corporation and any changes in that ownership.

9.4 When to Report

In accordance with applicable securities law, a Reporting Insider is required to file an initial insider report within ten (10) calendar days of the date that the individual first becomes a Reporting Insider. A Reporting Insider must also file an ongoing insider report within five (5) calendar days of any trade of Securities (including, without limitation, the purchase or sale of common shares of the Corporation or the exercise of options, warrants or other convertible or exchangeable securities of the Corporation). This includes Securities which the Reporting Insider directly or indirectly acquires (i.e., including through a holding company) or over which the Reporting Insider exercises control or direction (i.e., shares acquired by a family trust that the Reporting Insider controls). Nil reports are not required to be filed.

9.5 How to Report

Canadian Securities Administrators have established an electronic filing system for insider trading reports. The system has been implemented by National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI). SEDI is intended to facilitate filing and public dissemination of insider trading reports in the electronic format through an Internet website (www.sedi.ca) and replaces paper-based reporting of trades by insiders of SEDI issuers such as the Corporation.

In order to start using SEDI, you must register and file your insider profile. Information about how to use SEDI is available at the SEDI website at www.sedi.ca. It has an online help function that contains a user guide, a list of frequently asked questions (FAQs) and detailed guidance. Similar electronic filing systems are available in other applicable jurisdictions.

For assistance with your electronic insider trading reports, please contact the CFO. Please note however, that the reporting obligation is yours as an insider. It is your responsibility to ensure that your reports are accurate, complete and filed in a timely manner.

10. COMPLIANCE AND ENFORCEMENT

All directors, officers, employees, contractors and consultants of the Corporation will be provided with a copy of or access to this Policy, and shall execute annually a certification regarding acknowledgment of and compliance with the procedures and restrictions set forth in this Policy. It is a condition of appointment, employment or engagement that each of these persons at all times abides by the standards, requirements and procedures set out in this Policy. If it appears that a director, officer, employee, contractor or consultant may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment. Any employee who violates these guidelines may face disciplinary action up to and including dismissal with cause.