

BURNTSAND INC.
(the “Company”)

BOARD CODE OF CONDUCT
(the “Board Code”)

GUIDING PRINCIPLES

No code can replace the thoughtful behaviour of an ethical director. However, the Company’s essential objective is to uphold ethical standards in all of its corporate activities. The purpose of the Board Code is to foster a climate of honesty, truthfulness and integrity.

The Company’s Governance Committee is responsible for setting the standards of business conduct contained in the Board Code and updating these standards as it deems appropriate to reflect changes in the legal and regulatory framework applicable to the Company, the business practices within the Company’s industry, the Company’s own business practices, and the prevailing ethical standards of the communities in which the Company operates. While the Company’s Governance Committee will oversee and monitor compliance with the Board Code, it is the individual responsibility of each director of the Company to comply with the Board Code.

OBLIGATIONS

- A. Every director of the Company in exercising his or her powers and in discharging his or her duties shall, in accordance with the provisions of the *Business Corporations Act* (Ontario) [Canada Business Corporations Act] and the common law:
- (a) act honestly and in good faith with a view to the best interests of the Company;
 - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
 - (c) exercise his or her director’s powers for the purpose for which they were intended;
 - (d) ensure that the director’s personal interest and his or her duty to the Company are not brought into conflict; and
 - (e) ensure that the director does not obtain or receive, directly or indirectly, a personal profit, gain or benefit as a result of his or her relationship with the Company.
- B. Every director shall endeavour to deal fairly with the Company’s security holders, customers, suppliers, competitors and employees. No director shall take unfair advantage of any such person through manipulation, concealment, abuse of privileged information, misrepresentation of facts of any other unfair or unlawful dealing practice.
- C. Every director has a duty to preserve and protect confidential information of the Company and its subsidiaries. This duty of confidentiality continues even after the director no longer serves on the board of the Company. Confidential information of the Company and its subsidiaries includes all information about the Company’s and its

subsidiaries business, including marketing plans, agreements, customer lists, databases, trade secrets, intellectual property as well as information about competitive and strategic matters, and undisclosed material information.

Directors must take all reasonable steps to protect confidential information, including the following:

- (i) controlling access to confidential information;
- (ii) discussing confidential information with others only in the necessary course of business (and then with due care);
- (iii) not discussing confidential information in public places, such as airplanes, elevators and restaurants;
- (iv) keeping documents containing confidential information secure so they cannot be lost, stolen or viewed by individuals without a need to know, and taking steps to secure sensitive information when it is unattended;
- (v) safeguarding documents being taken away from the Company's premises;
- (vi) determining whether documents containing confidential information should be shredded or otherwise destroyed prior to disposal; and
- (vii) not sharing confidential information about the Company with companies that are, or may be, seeking to provide products or services to the Company, except as required in any bidding process after authorization from the Company.

D. In discharging the general duty of undivided loyalty to the Company, every director who is:

- a) a party to a material contract or transaction or proposed material contract or transaction with the Company;
- b) a director or officer of any entity who is a party to a material contract or transaction or proposed material contract or transaction with the Company; or
- c) a person who has a material interest in any entity which is a party to a material contract or transaction or proposed material contract or transaction with the Company.

shall disclose the nature and extent of his or her interest in writing to the Company, or request to have that interest entered in the minutes of the meeting of directors at which the contract or transaction is first considered. In addition, such director shall retire from the meeting, if required by the Board of Directors, while the discussion on the material contract or transaction or proposed material contract or transaction is taking place and shall refrain from voting on the subject under consideration, but this shall not prevent the Board of Directors from calling him or her into the meeting to answer any questions regarding the matter under discussion nor shall it release the director from his or her

obligation to inform the Board of Directors of what he or she knows of the situation and of any concerns.

However, because it may be impractical for a director or officer who serves as a director or officer of another entity or who has a material interest in another entity to know that the entity is entering into a material contract or transaction with the Company (and therefore to give notice of every such material contract or transaction), it is sufficient for the director to deliver a general notice to the directors of the Company, declaring that he or she is a director or officer or has a material interest in an entity and is to be regarded as interested in any material contract or transaction made with that entity.

- E. Every director of the Company shall comply in all respects with the Company's Insider Trading Policy (the "Policy"), as same may be amended, updated or replaced from time to time. The Policy is hereby incorporated by reference and forms a part of this Board Code, so that a breach of the Policy shall constitute a breach of the Board Code.

WAIVERS

Any waiver from compliance with any of the terms of the Board Code or the Policy shall require the prior approval of the Company's Audit and Governance Committee and shall be disclosed in the Company's next quarterly report.

VIOLATIONS

Every director shall report, in person or in writing, any known or suspected violation of the Board Code or the Policy to the Company's Governance Committee. The Company shall not allow any retaliation against a director who acts in good faith in reporting any such violations.

The Company's Governance Committee shall cause an investigation of any reported violations and shall oversee an appropriate response, including corrective action and preventative measures. Any director who violates the Board Code shall face appropriate, case specific, disciplinary action.

AFFIRMATION

Every director is expected to read and become familiar with the Board Code and the Policy and may be required, from time to time, to affirm in writing his or her compliance with the Board Code and the Policy.