

POLICY 9

NAME CHANGE, STOCK SPLITS AND SHARE CONSOLIDATIONS

1. Change of Name

- 1.1 Upon a change of name of a CNSX Issuer, CNSX may assign a new stock symbol to the CNSX Issuer's securities at the request of the Issuer or on its own initiative. The CNSX Issuer's choices should be communicated to CNSX in advance of the effective date of the name change.
- 1.2 The following documents must be posted in connection with a name change:
- (a) a press release announcing the name change;
 - (b) a notarial or certified copy of the Certificate of Amendment, or equivalent document;
 - (c) a copy of the definitive specimen of the new or over-printed share certificates;
 - (d) confirmation from the registrar and transfer agent that it is in a position to effect transfer in the new issue; and
 - (e) confirmation of notification by the CNSX Issuer to the Commission and the Clearing Corporation of the name change.
- 1.3 The CNSX Issuer's securities will normally commence trading on the CNSX System under the new name and symbol at the opening of trading two or three trading days after all the documents set out in Section 1.2 are posted. CNSX will issue a CNSX Bulletin to CNSX Dealers advising of the name change and effective date of trading under the new name and symbol.

2. Stock Split

- 2.1 In order to facilitate trading in the securities of the CNSX Issuer and prevent confusion the CNSX Issuer must, after obtaining all necessary shareholder and other corporate approvals but prior to filing Articles of Amendment, if applicable, fix in advance a Record Date for determining shareholders entitled to the benefit of the stock split.

- 2.2 There are two methods of effecting a stock split: (a) the “push-out” method, and (b) the “call-in” method. If the stock split is accompanied by a share reclassification, either the push-out method or the call-in method may be used; otherwise the push-out method is preferable.
- 2.3 Under the push-out method, the shareholders keep the share certificates they currently hold, and shareholders of record as of the close of business on the Record Date are provided with additional share certificates by the CNSX Issuer.
- 2.4 Under the call-in method, the CNSX Issuer implements the stock split by replacing the share certificates currently in the hands of the shareholders with new certificates. Letters of Transmittal are sent to the shareholders of record as of the Record Date requesting them to exchange their share certificates at the offices of the CNSX Issuer’s transfer agent.
- 2.5 If the stock split must be approved by the shareholders, the meeting of shareholders must take place at least seven trading days in advance of the record date.
- 2.6 The shares will commence quotation on the CNSX System on a split basis at the opening of business on the second trading day preceding the record date. CNSX will issue a CNSX Bulletin to CNSX Dealers advising of the stock split and effective date of trading on a split basis.
- 2.7 If the push-out method is to be used, the following documents must be posted and filed with CNSX at least three trading days in advance of the Record Date:
- (a) a press release announcing the stock split;
 - (b) written confirmation of the Record Date, which is deemed to be after the close of the CNSX System on that day;
 - (c) an opinion of counsel that all the necessary steps have been taken to validly effect the split in accordance with applicable law and that the additional shares will be validly issued as fully paid and non-assessable;
 - (d) if the stock split is accompanied by a share reclassification, definitive specimens of the new share certificates;
 - (e) confirmation of notification of the CNSX Issuer to the Ontario Securities Commission and the Clearing Corporation of the stock split; and
 - (f) a copy of the Certificate of Amendment, or equivalent document.

The CNSX Issuer must also post a written statement as to the date the additional share certificates were mailed to the shareholders.

- 2.8 Where the call-in method is to be used, the following additional documents must be posted and filed with CNSX:
- (a) a copy of the Letters of Transmittal;
 - (b) a definitive specimen of the new share certificates; and
 - (c) confirmation from the registrar and transfer agent that it is in a position to effect transfer of the new share certificates giving effect to the stock split.

The CNSX Issuer must also post a written statement as to the mailing date of the Letters of Transmittal.

3. Stock Consolidation

- 3.1 The name of a CNSX Issuer must be changed as part of a share consolidation. The CNSX Issuer must obtain new share certificates and a new CUSIP number for the consolidated shares, subject to the Clearing Corporation advising the CNSX Issuer in response to its application that a new CUSIP number for the consolidated shares is not required.
- 3.2 CNSX Issuers may not effect a share consolidation which reduces the number of issued and outstanding shares of the CNSX Issuer, without giving effect to any other distribution or transaction, to less than 1,000,000 shares or if the share consolidation is effected in connection with another distribution or transaction, to less than 500,000 shares, prior to giving effect to the distribution or transaction. CNSX Issuers shall not effect a share consolidation which reduces the number of public holders (as that term is defined in Policy 2) holding at least a board lot to less than 100, prior to giving effect to any other distribution or transaction. In the case of a share consolidation in connection with a fundamental change, the number of shares and public holders of at least a board lot may not be reduced below the minimum required for eligibility for listing for a new Issuer.
- 3.3 The following documents must be posted at least three trading days in advance of the Record Date:
- (a) a press release announcing the stock consolidation;
 - (b) a completed Form 12;
 - (c) written confirmation of the Record Date (if applicable);

- (d) a copy of the Letters of Transmittal;
- (e) a certified copy of the shareholder resolution authorizing the stock consolidation;
- (f) an opinion of counsel that all the necessary steps have been taken to validly effect the consolidation in accordance with applicable law;
- (g) a definitive specimen of the new share certificates;
- (h) confirmation from the registrar and transfer agent that it is in a position to effect transfers of the consolidated shares; and
- (i) confirmation of notification by the CNSX Issuer to the Commission and the Clearing Corporation of the share consolidation.

3.4 The CNSX Issuer must post on the CNSX.ca website:

- (a) a copy of the Certificate of Amendment, or equivalent document giving effect to the stock consolidation; and
- (b) a written statement as to the date of the mailing of the Letters of Transmittal.

3.5 The shares will commence quotation on the CNSX System on a consolidated basis on the second trading day preceding the Record Date. CNSX will issue a CNSX Bulletin to CNSX Dealers advising of the share consolidation and effective date of trading on the consolidated basis.

4. Share Reclassification (with no Stock Split)

4.1 The following documentation must be posted in connection with a share reclassification not involving a stock split, a reclassification into more than one class of shares or other change to the CNSX Issuer's capital structure, in which case the CNSX Issuer must consult with CNSX in order to determine the appropriate procedure and CNSX Requirements:

- (a) a press release announcing the reclassification;
- (b) a completed Form 12;
- (c) a written confirmation of the record date;

- (d) a certified copy of the shareholders resolution approving the reclassification;
- (e) an opinion of counsel that all the necessary steps have been taken to validly effect the share reclassification in accordance with applicable law;
- (f) a definitive specimen(s) of the new or over-printed share certificate(s);
- (g) a copy of the Letters of Transmittal, if applicable;
- (h) confirmation from the registrar and transfer agent that it is in a position to effect transfers in the reclassified shares; and
- (i) confirmation and notification by the CNSX Issuer to the Commission and the Clearing Corporation of the share reclassification.

4.2 The CNSX Issuer must also post:

- (a) a copy of the Certificate of Amendment, or equivalent document; and
- (b) a written statement as to the date of the mailing of the Letters of Transmittal, if applicable;

4.3 The reclassification will normally become effective for quotation purposes on the CNSX System two trading days preceding the Record Date. CNSX will issue a CNSX Bulletin to CNSX Dealers advising of the share reclassification and effective date of trading on the reclassified basis.

4.4 If the reclassification involves the issuance of restricted shares, the company must comply with OSC Rule 56-501 in addition to this Policy.