



### **Shareholder Rights Plan Policy Statement**

1. It is the policy of the Company's board of directors ("Board") that, except as provided in paragraph 2 of this Policy Statement, it will not adopt a shareholders rights plan without prior approval of a majority of the then-outstanding common shares of the Company present or represented, in person or by proxy, at an annual or special meeting of shareholders.
2. Notwithstanding paragraph 1 of this Policy Statement, the Board may at any time adopt a limited duration shareholder rights plan without prior shareholder approval if:
  - a. the Board, including a majority of its independent directors, in the exercise of its fiduciary duties determines that, under the circumstances then existing (including promptly following the announcement of a "formal bid", as that term is defined in the Securities Act (British Columbia)), it would be in the best interests of the Company and its shareholders to adopt a shareholders rights plan without prior shareholder approval;
  - b. the duration of any such shareholder rights plan shall be until the next meeting of the Company's shareholders, or 75 days, whichever is less; and
  - c. the terms and conditions of the shareholder rights plan shall be modelled upon the shareholder rights plan of the Company that expired in April 2006.
3. The Corporate Governance Committee of the Board shall review this Policy Statement on at least an annual basis, and report to the Board with any recommendations it may have in connection therewith. On the advice of the Corporate Governance Committee, the Board may revise or repeal this policy without prior public notice.
4. This Policy Statement shall become effective immediately upon its adoption by the Board on April 28, 2006. In the event that this Policy Statement is not confirmed by a majority of the votes cast by holders of Common Shares who vote in respect of confirmation of this Policy Statement at the date of the Company's 2006 annual meeting of shareholders, then this Policy Statement shall be void and no further force and effect.
5. This Policy Statement, to remain effective, must be reconfirmed by a resolution passed by a majority of the votes cast by all holders of Common Shares in respect of such reconfirmation at the third annual meeting following the Company's annual meeting of shareholders in 2006 and again at the annual meeting of shareholders occurring every three years thereafter. If this Policy Statement is not reconfirmed or is not presented for reconfirmation at any such annual meeting, then this Policy Statement shall become void and of no further force or effect.
6. For greater certainty, to the extent that this Policy Statement is ratified by holders of the Common Shares at the 2006 annual meeting and thereafter for so long as this Policy Statement remains in operation (and continues to be reconfirmed on a triennial basis by the Company's shareholders as described in paragraph 5 of this Policy), any adoption by the Board of a shareholder rights plan of the sort described above, including a shareholder rights plan adopted in accordance with paragraph 3 above, shall be deemed for purposes of any review of such shareholder rights plan by any court or securities regulatory authority to have been ratified by the shareholders of the Company as evidenced by their most recent ratification or reconfirmation of this Policy Statement.

By order of the Board

April 28, 2006