

CODE OF ETHICS AND BUSINESS CONDUCT

GeneNews is committed to the pursuit of excellence with the highest standards of business and personal ethics as well as compliance with all laws that apply to our business. As employees and directors of GeneNews, we are each expected to fulfill this commitment and be accountable for promoting a work environment of integrity and mutual respect, dignity and understanding amongst all individuals.

1. INTRODUCTION

This Code of Ethics and Business Conduct is intended to describe the underlying principles behind the expectations and obligations that GeneNews and its employees and directors have to each other, to our business partners, and to our communities. Everyone who represents the Corporation must carefully review this Code and is expected to seek assistance if unsure of the right course of action. As a team, employees and directors are expected to help one another in understanding and meeting the obligations outlined in the Code. The Code is the overriding policy for business conduct at GeneNews and the principles of the Code are reflected in and supplemented by all of the Corporation's specific policies and procedures that govern business practices. In a diverse business like GeneNews, no rule, code or policy can possibly guide all of the day-to-day decisions required of our employees and directors. The Code sets out the Corporation's minimum standards and expectations for ethical business conduct and may be supplemented by senior management as appropriate.

2. STATEMENT OF PRINCIPLE

All employees and directors are expected to uphold and commit to the standards of ethical conduct as outlined in the Code and to demonstrate personal integrity and leadership when acting on behalf of GeneNews. This commitment will enhance the Corporation's reputation and increase the likelihood of compliance with applicable laws and regulations.

3. SCOPE

The Code applies to all employees and directors of the Corporation and is intended to govern all conduct in the course of employment, or in the case of directors, in the course of their directorship. All employees will be asked to periodically acknowledge review of and compliance with this Code as a condition of employment with GeneNews. No person has the authority to order, direct, request or influence an employee or director to violate this Code or any applicable law. Accordingly, no employee or director will be excused for violating this Code or any applicable law.

4. PRINCIPLES OF BUSINESS CONDUCT

All employees and directors of the Corporation must commit to ensuring that in conducting their work, they will:

- promote a work environment of mutual respect, dignity and understanding of all individuals in full compliance with applicable human rights legislation;
- comply with applicable laws, regulations, Board and Corporate operating policies and procedures including the Code;
- avoid situations which could lead to a conflict of interest;
- conduct their duties and business relationships in an honest, fair and responsible manner;
- sustain a culture in which ethical conduct is valued and recognized;
- foster a business environment that encourages open communication about Code obligations;
- promptly report suspected violations of the Code and non-compliance with applicable laws, regulations, Board and Corporate operating policies or procedures.

In addition to the principles set out in this Code, there are also a number of corporate operating policies which set out additional expectations relating to employee and director conduct when conducting business as a representative of the Corporation.

5. POLICY COMPLIANCE

All employees and directors are required to comply with this Code. As leaders of GeneNews, directors, officers and senior management are expected to set the tone and demonstrate the highest standard of ethical behaviour by complying with and promoting the ethical standards set out in this Code at all times. Accordingly, all directors, officers and senior management will be held to a higher standard in upholding the principles of the Code.

Any breach of the Code will result in disciplinary consequences, including but not limited to:

- training, coaching and counseling;
- written reprimands;
- formal performance management program;
- termination of employment; and
- monetary penalties - up to and including the requirement to pay, in full or in part, for the cost of the investigation into the breach or a reduction or elimination of short term incentive payments.

The penalty for non-compliance with the Code will be assessed on a case by case basis and will depend on:

- the nature, frequency and severity of the breach;
- the position held by the individual at the Corporation; and
- the extent to which fellow employees or the Corporation have been harmed/compromised (reputational or otherwise) as a result of the breach.

Penalties will also be imposed when an employee fails to report any known or suspected breaches of the Code that they may have witnessed or believe to have occurred. Directors who fail to comply with this Code, including the reporting of suspected breaches, will face censure as determined by the Board of Directors.

All breaches of the Code or evidence of illegal behaviour will be taken seriously. The Corporation will take appropriate disciplinary action against any employee who knowingly violates laws, regulations, or policies or demonstrates lapses in integrity as set out in this Code.

6. APPLYING THE PRINCIPLES

In applying the Code's principles, there are several areas of conduct that require further guidance. These are set out below.

Conflict of Interest

A conflict of interest arises whenever an employee or director allows, or appears to be allowing, personal interests or relationships to interfere with his or her judgment and ability to make honest and ethical business decisions in the best interest of the Corporation. A conflict of interest will also exist where an employee or director (or a member of his or her family), receives or seeks improper personal benefit as a result of his or her position with the Corporation. It is important to recognize that our relationships and actions may appear to put us in a conflict of interest. This perceived conflict can be just as harmful as a real conflict of interest.

There are situations in the course of business where employees or directors may be required to make a decision or take action that could place, or be perceived to place, their personal interests ahead of the Corporation's interests. When faced with such a situation, corporate responsibilities must come first. All employees and directors hold a position of trust and accordingly must avoid situations that may lead to an actual or perceived conflict of interest. Where employees or directors are unsure of the correct or appropriate course of action, they must seek assistance or guidance from their manager, the Human Resources Manager or General Counsel.

The following sections provide guidelines on certain topics where a conflict of interest may arise:

a) Providing Gifts

Cash or cash-equivalent gifts may not be provided by an employee directly or indirectly to any person or enterprise. Non-cash gifts (such as entertainment) which support a valid business purpose, may be provided if they are:

- i) consistent with customary business practice;
- ii) not of significant value (less than \$100.00)
- iii) not in violation of applicable law; and
- iv) not embarrassing to the Corporation or the recipient if publicly disclosed.

b) Receiving Gifts

Cash or cash-equivalent gifts may not be accepted by an employee or employee's family member at any time. Non-cash gifts received must be turned over to the Human Resources Manager for appropriate action or for donation by GeneNews to an appropriate charity. Normal business entertainment such as lunch, dinner, social invitations and the like, is appropriate if reasonable and customary in nature and not of significant value, provided the purpose of such entertainment is to hold bona fide business discussions or to foster better business relations.

There may be certain circumstances where refusing a gift could be detrimental to GeneNews', particularly in countries outside of Canada and the United States where gift giving is an expected courtesy and is not intended to influence a business decision or relationship. Employees and officers who believe that this is legitimate business reason to accept such gifts must report the event to the senior manager in the employee's functional area, or in the case of officers, to the CEO.

c) Interests in Other Businesses

Any situation in which an employee or an employee's family member might profit personally, or give the appearance of profiting personally, from the Corporation's relationship with its customers or suppliers must be avoided. This includes situations where the employee or the employee's family member have a financial interest in any enterprise which does, or seeks to do, business with the Corporation. Insignificant holdings of publicly traded companies do not constitute a conflict of interest. In certain circumstances, the Board of Directors may be required to review and approve related party transactions.

d) Outside Activities

Employees are not permitted to receive payment from any third party external to the Corporation for services performed during his or her regular working hours at GeneNews. In addition, employees may not engage in "free-lance", "moonlighting" or other activities that interfere with the time or attention devoted to his or her job duties, adversely affect the quality of the employee's work, compete with the Corporation's activities, imply sponsorship or support by GeneNews, or adversely affect the good name and reputation of the Corporation. Employees who decide to engage in free-lance activity must inform their manager and may not use the Corporation's facilities, resources or supplies for such work.

Bribes, Kickbacks and Other Unlawful Payments or Benefits

It is never acceptable for any employee or director to pay or accept any bribe, kickback or other unlawful payment or benefit to secure any concession, contract or other favourable treatment. All employees and directors must promptly report all offers of kickbacks and bribes or other unlawful payments or benefits to their manager and the Human Resources Manager.

Using and Protecting Corporate Property

Inventory, equipment (such as computers, telephones, company cars), materials, supplies and services (including Internet access) that are purchased with corporate funds are the property of the Corporation and must be used in the interest of the Corporation and must be protected from theft, misuse or damage. All employees and directors are responsible for using their good judgment to ensure GeneNews' assets, including its facilities, are not misused or wasted.

Employees and directors may be provided with access to e-mail, the Internet, telephones and other forms of communication for business purposes. While it is understood that there is a need for limited and occasional use of these tools for personal purposes, this use should not be excessive or cause detriment to the Corporation. Nominal personal use of corporate equipment must be reasonable and must not interfere with work or productivity.

Human Rights and Harassment

GeneNews' working environment recognizes the rights, dignity and worth of every individual and provides for equal rights and opportunities based on merit in accordance with applicable laws.

The Corporation expects all employees and directors to promote a work environment of mutual respect, dignity and understanding of all individuals. All practices and programs must be administered in a responsible and equitable manner in full compliance with applicable laws. GeneNews will not tolerate any form of abuse or harassment, in any corporate workplace, toward employees, directors, contractors, suppliers, customers or others.

Confidential and Proprietary Information

Confidentiality

Employees and directors must maintain the confidentiality of information entrusted to them by GeneNews, its business partners or customers, except when disclosure is authorized or legally mandated. Even seemingly ordinary or routine information might be of use to

competitors, or worse, harmful to the Corporation or its customers if disclosed. Employees and directors must not disclose confidential information acquired through their job to anyone outside the Corporation. In addition, employees and directors must not share information with fellow co-workers, unless those co-workers have a legitimate need to know as part of their business activities.

Proprietary Information

All documents and/or information owned by GeneNews are proprietary. Information entrusted to the Corporation by a third party may also be identified as proprietary or confidential and must be handled according to the instructions provided by the third party information owner or in accordance with the terms of any applicable non-disclosure or confidentiality agreement. All employees and directors of the Corporation must ensure that proprietary information is protected against unauthorized disclosure or misuse. The loss or misuse of proprietary or confidential information may expose GeneNews to legal liability and compromise competitive positioning.

Integrity of Transactions and Reporting Information

It is the Corporation's expectation that all employees and directors will ensure the integrity and reliability of all business transactions as well as the data and information that is compiled for financial management and Board reporting purposes. In all cases, records must reflect the Corporation's transactions accurately, fairly and in a timely manner.