



GMP CAPITAL INC. (the “Corporation”)

CODE OF BUSINESS CONDUCT AND ETHICS

INTRODUCTION

This Code of Business Conduct and Ethics covers a wide range of business practices and procedures. It does not cover every issue that may arise, but sets out basic principles to guide all directors, trustees, officers and employees of the Corporation and its subsidiaries and Affiliates (as defined below) (collectively, “**GMP Personnel**”). All GMP Personnel must conduct themselves accordingly and seek to avoid even the appearance of improper behaviour. This Code also should be provided to and followed by the agents and representatives, including advisors, of the Corporation, (as defined in section 1.3 of National Instrument 45-106 – *Prospectus and Registration Exemptions*) (the “**GMP Group**”).

If a law conflicts with a policy in this Code, GMP Personnel must comply with the law. If a local custom or policy conflicts with this Code, GMP Personnel must comply with this Code. If you have any questions about these conflicts, you should ask the GMP Group’s Compliance Department how to handle the situation.

GMP Personnel who violate the standards in this Code will be subject to disciplinary action, which could include the termination of their employment (for cause) or other relationship with the Corporation. **If you are in a situation that you believe may violate or lead to a violation of this Code, follow the guidelines described below under “Compliance Procedures”.**

THE CODE

Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which the GMP Group’s ethical standards are built and is critical to our reputation and continued success. All GMP Personnel must respect and obey the laws of the various jurisdictions in which the Corporation operates and avoid even the appearance of impropriety. Although not all GMP Personnel are expected to know all of the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel. The GMP Group’s Chief Compliance Officer (or delegate) is always available to assist GMP Personnel in determining applicable legal and regulatory requirements.

Conflicts of Interest

A “conflict of interest” exists when a person’s private interests interfere in any way with the interests of the Corporation. GMP Personnel may also find it difficult to perform their work for the GMP Group objectively and effectively if they or members of their families have received improper personal benefits through their position with the GMP Group.

It is almost always a conflict of interest for GMP Personnel to work at the same time for a competitor or a person with whom the GMP Group has a business relationship. GMP Personnel are not allowed to work for a competitor in any way. The best policy is to avoid any direct or indirect business relationship (except on behalf of the GMP Group) with competitors of the GMP Group or persons with whom the GMP Group has business relationships. All outside interests and business activities must be brought to the attention of the GMP Group’s Compliance Department before any action or commitment is undertaken.

Conflicts of interest are prohibited as a matter of GMP Group policy, except under guidelines approved by the Board of Directors of the Corporation. Conflicts of interest may not always be clear-cut. If you have a question, you should consult with the GMP Group’s Chief Compliance Officer (or delegate). Any GMP Personnel who become aware of a conflict or potential conflict should bring it to the attention of the GMP Group’s Chief Compliance Officer (or delegate) and consult the procedures described below under “**Compliance Procedures**”.

Confidentiality

GMP Personnel must maintain the confidentiality of confidential information entrusted to them by the Corporation and persons with whom the GMP Group does business, except when disclosure is authorized by the Chief Executive Officer, the Chief Financial Officer or the Chief Compliance Officer or is required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to the GMP Group or the person to whom it relates if disclosed. The obligation to preserve confidential information continues even after GMP Personnel cease to have a relationship with the GMP Group.

GMP Personnel who have access to confidential information are not permitted to use or share that information for securities and related derivatives trading purposes or for any other purpose except the conduct of the GMP Group’s business. All GMP Personnel should read and abide by the Corporation’s Policy Concerning Confidentiality, Fair Disclosure and Trading in Securities and are required to sign the GMP Group’s Confidentiality Agreement.

Corporate Opportunities

GMP Personnel are prohibited from taking for themselves personally opportunities that are discovered through the use of the Corporation’s property, information or positions without the pre-approval of the Chief Executive Officer or the Chief Financial Officer and the Chief Compliance Officer and from using the Corporation’s property, information, or position for improper personal gain. No GMP Personnel may compete with the GMP Group directly or indirectly. GMP Personnel owe a duty to the GMP Group to advance its legitimate interests, before their own, when the opportunity to do so arises.

Protection and Proper Use of Corporate Assets

All GMP Personnel should endeavour to protect the GMP Group's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the GMP Group's profitability. Any suspected incident of fraud, theft or other irregularity should be reported immediately to the GMP Group's Chief Compliance Officer for investigation. GMP Group equipment should not be used for non-GMP Group business, other than incidental personal use; other use requires pre-approval by an immediate supervisor.

The obligation of GMP Personnel to protect the GMP Group's assets includes the GMP Group's proprietary information. Proprietary information includes any information that is not known generally to the public or would be helpful to the GMP Group's competitors. Examples of proprietary information include intellectual property (such as trade secrets, financial models, patents, trademarks, and copyrights), business, marketing and service plans, designs, databases, company guides, manuals, client information, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate GMP Group policy and could be illegal and result in civil or criminal penalties. The obligation to preserve the confidentiality of proprietary information continues even after GMP Personnel cease to have a relationship with the GMP Group.

GMP Group assets (such as funds, products or computers) may be used only for legitimate business purposes. GMP Group assets may never be used for illegal purposes.

Competition and Fair Dealing

The GMP Group seeks to excel and to outperform any competitors fairly and honestly through superior performance and not through unethical or illegal business practices. Taking proprietary information without the owner's consent, inducing disclosure of that information by past or present employees or other persons or using that information is prohibited. GMP Personnel should respect the rights of, and deal fairly with, the GMP Group's competitors, the Corporation's securityholders and persons with whom the GMP Group has a business relationship. No GMP Personnel should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of proprietary information, misrepresentation of material facts or any other intentional unfair-dealing practice. Nor should any GMP Personnel act in a manner that may be anti-competitive under anti-trust laws. The GMP Group's Chief Compliance Officer (or designate) is always available to assist GMP Personnel in determining the application of those laws.

Gifts and Entertainment

Business gifts and entertainment are customary courtesies designed to build goodwill and constructive relationship among business partners. These courtesies may include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, accommodation and other merchandise or services. A problem may arise when these courtesies compromise, or appear to compromise, the GMP Group's ability to make fair and objective business decisions or to gain an unfair advantage.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. These guidelines apply at all times and do not change during traditional gift-giving seasons.

No gift or entertainment should ever be offered, given, provided, authorized or accepted by any GMP Personnel or their family members unless it is not a cash gift, is consistent with customary business practices, is not excessive in value, cannot be construed as a bribe or payoff, and does not violate any laws or counter-party policies. Strict rules apply when the GMP Group does business with institutional clients and, as discussed in more detail below, governmental agencies and officials. GMP Personnel should discuss with the GMP Group's Compliance Department and with their clients any gifts or proposed gifts about which they have any questions.

Payments to Government Personnel

All GMP Personnel must comply with all laws prohibiting improper payments to domestic and foreign officials.

Certain governments have laws regarding business gifts that may be accepted by government personnel. The promise, offer or delivery to an official or employee of various governments of a gift, favour or other gratuity in violation of these laws would not only violate GMP Group policy but could also be a criminal offence. Illegal payments should not be made to government officials of any country. The GMP Group's Chief Compliance Officer (or designate) can provide guidance to GMP Personnel in this area.

Discrimination and Harassment

The diversity of GMP Personnel is a tremendous asset. The GMP Group is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcomed sexual advances. GMP Personnel are encouraged to speak with the GMP Group's Head of Human Resources (or delegate), when a co-worker's conduct makes them uncomfortable and to report harassment when it occurs.

Health and Safety

The GMP Group strives to provide all GMP Personnel with a safe and healthy work environment. All GMP Personnel have responsibility for maintaining a safe and healthy workplace by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions to an immediate supervisor. Violence and threatening behaviour are not permitted. The use of illegal drugs in the workplace will not be tolerated. GMP Personnel should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol.

Accuracy of Corporation Records and Reporting

The GMP Group requires honest and accurate recording and reporting of information to make responsible business decisions. The GMP Group's accounting records are relied upon to produce reports for our directors, officers, trustees, management, securityholders, governmental agencies and persons with whom the GMP Group does business. All of the GMP Group's financial

statements and the books, records and accounts on which they are based must appropriately reflect the GMP Group's activities and conform to applicable legal and accounting requirements and to the GMP Group's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless required by applicable law or regulation.

All GMP Personnel have a responsibility, within the scope of their positions, to ensure that the GMP Group's accounting records do not contain any false or intentionally misleading entries. The GMP Group does not permit intentional misclassification of transaction as to accounts, departments or accounting records. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper accounts and in the proper accounting period.

Many GMP Personnel use business expense accounts, which must be documented and recorded accurately. If GMP Personnel are not sure whether a certain expense is legitimate, an immediate supervisor can provide advice.

Business records and communications often become public through legal or regulatory proceedings or the media. GMP Personnel should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations that can be misunderstood. This requirement applies equally to communications of all kinds, including e-mail, instant messaging, chat rooms, social networking sites, informal notes, internal memos, and formal reports.

Use of E-mail and Internet Services

E-mail and internet services are provided by the GMP Group to assist GMP Personnel in carrying out their work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. GMP Personnel may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, derogatory messages based on racial or ethnic characteristics or any other messages that could reasonably be viewed as harassment. Flooding the GMP Group's system with junk mail and trivia hampers the ability of the GMP Group's system to handle legitimate GMP Group business and is prohibited.

Messages (including voice-mail) and computer information sent, received or created by GMP Personnel are considered GMP Group property and GMP Personnel should recognize that these messages and information are monitored regularly and therefore are not "private". Unless prohibited by law, the GMP Group reserves the right to access and disclose those messages and information as necessary for its business purposes. GMP Personnel should use good judgement and not access, send messages or store any information that they would not want to be seen or heard by others. Electronic information, including E-Mails, are stored and archived on a continuous and regular basis.

GMP Personnel are also referred to the GMP Group's Internet/E-Mail Manual.

REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

The GMP Group has a strong commitment to the conduct of its business in a lawful and ethical manner. GMP Personnel are expected to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behaviour and when in doubt about the best course of action in a particular situation. It is the policy of the GMP Group not to allow retaliation for reports of misconduct by others made in good faith. It is, at the same time, unacceptable to file a report knowing that it is false. All GMP Personnel are required to cooperate in internal investigations and reviews.

COMPLIANCE PROCEDURES

All GMP Personnel must work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that the GMP Group have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will help you to focus on the specific question you are faced with and the alternatives you have. Use your judgement and common sense - if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. Are you qualified to do what is being asked? In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with the GMP Group's Compliance Department. This is the basic guidance for all situations. In many cases, the GMP Group's Compliance Department will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is the GMP Group's Compliance Department responsibility to help solve problems.
- You may report violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The GMP Group does not permit retaliation of any kind against employees for good faith reports of ethical violations or breaches of rules, policies, regulations or laws or similar legislation.
- Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.