

SPACKMANEQUITIESGROUP

**CODE OF ETHICAL CONDUCT
AND BUSINESS PRACTICES**

APRIL, 2013

SPACKMAN EQUITIES GROUP INC.

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CODE OF ETHICAL CONDUCT AND BUSINESS PRACTICES

A. INTRODUCTION

This documents sets out the code of ethical conduct and business practices of Spackman Equities Group Inc. (the “**Company**”). It is the responsibility of every director, officer and employee of the Company to create and maintain a fair, honest and professional workplace. This Code has been formulated by the Company in order to ensure that its directors, officers and employees act in accordance with applicable laws and observe the highest ethical standards in their business relationships.

The Company is keenly aware of the importance of maintaining its corporate reputation for integrity. The Company believes that honesty is the essential standard of integrity and that its directors, officers and employees must always deal with others in a manner that absolutely excludes any consideration of personal or private benefit. It is, therefore, fundamental to the reputation and continuing success of the Company that its directors, officers and employees respect and adhere to the rules and procedures outlined in this Code. In addition, all family members of such individuals and others living with them are expected to comply with the applicable provisions of this Code.

While this Code is intended to provide guidelines for ethical and professional conduct, ultimately, good judgement and common sense in interpreting and applying these guidelines in any given situation will be required. In cases of doubt, consultation with an independent board member is recommended.

Where appropriate, the following provisions of this Code apply to all directors and officers of the Company (including its subsidiaries), as well as its employees, notwithstanding that the terms “employee” or “employees” are used throughout.

B. GENERAL BUSINESS PRINCIPLES

1. Abiding By The Law

All employees of the Company must conduct their business affairs in accordance with the applicable provincial and federal laws and must observe the highest standards of business ethics. The use of the Company’s funds, services or assets for any unlawful or improper purpose is strictly prohibited. No employee should procure benefits for or on behalf of the Company through the payment of bribes, favours, gratuities, or other forms of pay-off. No employee should accept payments from other companies in violation of any law.

Employees should not achieve results through unscrupulous dealings, and ignorance of the law will not serve as a defence should such laws be contravened. In all situations, including those where there are no applicable legal principles or the law is unclear or conflicting, the Company’s business should be conducted in such a manner that will not embarrass the Company should the full facts be disclosed.

2. Political Contributions

No Company funds or services should be paid or furnished to any political party or any candidate for public office, regardless of whether the contributions are legal under the laws of the province or country in which they are made.

3. Payments to Government Personnel

No payment shall be made directly or indirectly to obtain favourable action by a government or agency. Gifts or services to, or lavish entertainment of, government personnel are prohibited since they can be construed as attempts to influence government decisions in matters affecting the Company.

4. Commercial Bribery

No employee of the Company should solicit or accept, either directly or indirectly, any gift or favour, bribe, kickback or other improper payment from any employee or agent of any supplier, customer, landlord, lessee, competitor or other entity dealing, or seeking to deal, with the Company.

5. Discrimination

In dealing with employees, customers, suppliers and others, the Company will not tolerate discrimination on the basis of race, national or ethnic origin, citizenship, language, colour, religion, political belief, age, gender, sexual orientation, mental status, disability or membership in any lawful organization or on any other ground of discrimination prohibited by statute.

6. Equal Opportunity

The Company is committed to the recruitment, training, development and retention of competent staff. All employment decisions, including selection for employment, promotion and transfer, must be made solely on the basis of ability to perform the necessary work. The Company will assist employees in improving and broadening job skills and will encourage their self-development.

7. Free Competition

The Company believes in fair and open competition. All employees are prohibited from communicating or entering into arrangements with competitors with respect to pricing, marketing, methods of operation or labour policies. Employees who participate in external associations are instructed not to divulge any proprietary information that may benefit a competitor, or in any way disadvantage the Company.

8. Truth in Communications

In all communications to customers, shareholders, other employees, suppliers and the government, employees of the Company must adhere to the truth and not mislead directly or

indirectly. Particular care must be taken not to make promises or commitments which the Company does not intend to, or cannot, keep.

C. HANDLING COMPANY FUNDS OR ASSETS

Employees whose duties entail the authority to deal with Company funds or assets are placed in a position of trust with respect to the Company and its shareholders. The way in which the Company's funds are managed affects the Company's financial ratings, its reputation and relationships with its customers. The handling of Company funds or assets, therefore, is a responsibility that demands absolute honesty, good judgment and common sense.

1. Company Expenses

Fees, commissions or payments of any kind may be paid only for clearly stated business purposes of the Company. Reasonable expenses may be incurred with respect to the entertainment of customers, prospective employees or business associates by employees whose duties entail the provision of such entertainment. In such cases, modest entertainment may be furnished provided the following criteria are met:

- (a) such entertainment courtesies are not otherwise prohibited by this Code (See, for example, GENERAL BUSINESS PRINCIPLES - Payments to Government Personnel; Commercial Bribery); and
- (b) if subsequently disclosed to the public, their provision would not in any way embarrass the Company or the recipient.

Employees should submit all such expenses, including a proper accounting of the matter, to the Company for reimbursement. Any questionable matters should be referred to an independent board member for review.

2. Purchasing Policy

It is the policy of the Company to make all purchases of goods and services on the basis of the most favourable terms covering quality, quantity, need, performance, delivery, schedules, price and benefit to the Company. Other considerations are not permitted to influence Company purchases. Payments by the Company for goods and services must be supported in all cases by invoices or other documentation reflecting the actual purpose of the payments. Payments directed to people or businesses other than suppliers of the goods or services must be properly explained and approved in advance of payment.

All employees must comply strictly with this Purchasing Policy in their selection of and negotiations with vendors and prospective suppliers. In dealing with vendors or suppliers, it is the responsibility of all employees to promote the best interests of the Company, within legal limits, through aggressive attention to opportunities and the obtaining of fair terms and treatment for the Company without any favouritism based on friendship, race, sex, national origin, or handicap. Employees must deal impartially and at arm's length with any vendor or supplier, including third parties involved in a transaction with the Company at the direction of employees. This is particularly important in the case of employees who are responsible for or in a position to

influence the Company's purchases of merchandise, supplies, services or contracts or any other expenditures of the Company.

3. Payments to Consultants

Agreements by the Company with agents, representatives, and consultants must clearly set forth the actual services to be performed, the basis for earning the fee involved, and all other terms and conditions. Payments must be reasonable in amount and bear a reasonable relationship to the value of the services rendered. Employees must not knowingly permit such agents, representatives, and consultants to take action on behalf of the Company that would be in violation of this Code.

4. Safeguarding of Assets

All tangible and intangible assets of the Company, whether on Company property or in the possession of an employee, must at all times be maintained in good working order and safeguarded from harm, theft or loss. Assets of the Company may be used only for their intended use, and, in any event, only for Company purposes. Any assets of the Company in use or in the possession of an employee must be returned to the Company upon termination of employment in its original condition, subject to normal wear and tear.

D. CONFLICTS OF INTEREST

It is the policy of the Company that employees conduct themselves in accordance with the highest standards of integrity, honesty and fair dealing. This means that all employees are expected to conduct their Company activities in such a way as to avoid actions which may be adverse to the interests of the Company. In this regard, the paramount considerations are the best interests of the Company and its shareholders.

The Company requires all employees to disclose to the Company any interest or activities that could create potential conflict of interest situations. Each employee should immediately report in writing to the Board of Directors the discovery of any circumstances, relating to the employee or other employees, which are of a questionable, fraudulent or illegal nature. All levels of management should maintain an awareness of potential conflict of interest problems, encourage disclosures by subordinates and initiate prompt action in the event any conflict of interest situation arises.

While it is not feasible to specify every action by an employee which might create a conflict between the interests of the employee and the Company, the following paragraphs provide guidelines for avoiding such conflicts of interest arising in specific situations.

1. Acceptance of Gifts

Company policy prohibits the acceptance of gifts or favours from any person or business organization that does, or seeks to do, business with or is a competitor of the Company. Such gifts or favours may be in the form of money, merchandise, services, lavish entertainment, travel, or any other form of benefit to the employee or his/her relatives or friends. In general, if you are offered a small gift or favour out of courtesy, you may accept it. However, if you believe that receiving the gift could influence, or be perceived to influence, you in your future dealings with

the person offering the gift, you should politely decline it. If gifts or favours are received, it is the employee's obligation and responsibility to inform his or her supervisor or manager. The Company will determine the disposition of such gift, and the employee will request the person offering the gift to refrain from giving such gifts in the future.

Acceptance of reasonable entertainment in accordance with customary practice is not forbidden, but in no event should an employee accept travel or vacation arrangements or similar favours or gratuities. Attending sports or theatrical events with and as a guest of a supplier or receiving sports or theatre tickets for personal use is an acceptable and normal business practice if kept within reasonable limits. Any questions regarding the application, interpretation, or exceptions to this policy should be cleared through an independent board member.

2. Involvement with Related Parties

Employees should avoid placing themselves in a position of conflict or potential conflict of interest with respect to their involvement with a "related party" of the Company. Such "related party" would include a supplier, competitor or any person or organization having any dealings with the Company (including its parent company or any of its subsidiaries) where the Company's relationship with the person or organization is a significant one.

In particular, no employee may:

- (a) invest in any security, including stocks, bonds, options or short sales of a related party;
- (b) lend money to, guarantee a loan by or otherwise invest in a related party;
- (c) participate in any transaction involving the Company unless acting in an official capacity as a Company employee; or
- (d) serve as an officer, partner of, employee of or consultant to any related party having material dealings with the Company.

Employees must report any current investments in related parties to the Board of Directors, who will decide, with the employee, on the disposition of such investments. For the purposes of this Code, the term "investment" includes any investment personally owned or beneficially owned by family members, nominees, or others where the effect is that the individual employee derives any benefit from such investment.

3. Acting as a Supplier

An employee may only enter into an agreement with the Company as a supplier of products and services to the Company with the prior approval of the Board of Directors. This policy extends to any prospective supplier that is a person or organization that is dominated, controlled, actively influenced or that is furnished consulting services by an employee of the Company. In any event, the selection of such an employee or other person or organization as a supplier to the Company must be made in accordance with the Purchasing Policy contained in this Code.

4. Purchasing from Suppliers

While with the approval of the Board of Directors, employees may purchase items or obtain services from suppliers of the Company on normal terms, such purchases should be infrequent and should generally be discouraged. The Board of Directors will keep a record with full details of the transaction when such approval is given to ensure such purchases are not disguised gifts.

5. Potential Conflicts of Interest

From time to time it may be determined by the Company that an employee has a relationship with an existing or potential vendor or supplier of the Company which, although not creating a present conflict of interest, might under certain circumstances create such a conflict. In order that these situations may be monitored, full disclosure with respect to the relationship, potential or existing, must be made available by the employee to an independent board member for review.

Before authorizing a purchase or a series of purchases from a vendor with whom a possible conflict of interest exists, employees must report the contemplated purchase(s) in writing to the Board of Directors.

E. COMPANY INFORMATION

1. Integrity of Records

All assets, liabilities, expenses and other transactions must be recorded in the Company's regular books of account. No unrecorded fund or asset of the Company, its subsidiaries, or affiliates may be established or maintained for any purpose.

Documentation of all business transactions must describe the pertinent events. No false or artificial entries are to be made in the books and records of the Company for any reason, and no employee is to engage in any arrangement that results in any transaction prohibited by this Code. No payment is to be made with the intention that any part of such payment is to be used for a purpose other than that described by the document supporting the payment.

All transactions must be approved and executed in accordance with procedures authorized by the Company and must be recorded in such a manner as to permit the preparation of accurate financial statements for the Company.

2. Disclosure of Confidential Information

Refer to the Company's Corporate Disclosure, Confidentiality and Restricted Trading Policies dated April, 2013.

3. Insider Trading Policy

Refer to the Company's Corporate Disclosure, Confidentiality and Restricted Trading Policies dated April, 2013.

4. Insider Trading Reports

Refer to the Company's Corporate Disclosure, Confidentiality and Restricted Trading Policies dated April, 2013.

5. Other Trading Restrictions

Refer to the Company's Corporate Disclosure, Confidentiality and Restricted Trading Policies dated April, 2013.

F. INTELLECTUAL HONESTY

As each of us experiences more personal accountability as an employee of the Company, we must ensure that we maintain the highest level of intellectual honesty in our daily responsibilities. Examples of conduct that is considered to violate this standard includes:

- (a) Knowingly issuing or approving a report or document containing incorrect or misstated data;
- (b) Knowingly receiving shipments or merchandise that are not charged to your location;
- (c) Padding of inventory by non-compliance with Company policies or procedures through deliberate action; and
- (d) Deliberate disregard for policies or procedures in order to improve a result regardless of whether or not the effect is positive or negative upon the Company.

Inevitably, all possible situations of intellectual dishonesty cannot be covered by a single policy statement. Accordingly, the exercise of good judgment coupled with an acute sense of personal integrity is the best policy. When in doubt, the employee should consult with an independent board member for guidance.

G. SEXUAL HARASSMENT

The Company has a policy against acts of sexual harassment in the workplace. We believe that all employees have a right to work in an environment free from unsolicited and unwelcome sexual overtures, and that sexual harassment is a form of employee misconduct that undermines the integrity of the employment relationship. Sexual harassment is defined by law as conduct, either physical or verbal, involving any unwelcome sexual advances or requests for sexual favours or conduct of a sexual nature when:

- (a) Submission to the conduct is made either implicitly or explicitly a term or condition of an individual's employment;
- (b) Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting the individual; or

- (c) Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

All complaints of sexual harassment will be treated with the utmost confidentiality. Any employee who believes he or she has been sexually harassed should report the alleged action immediately to either his or her supervisor or directly to the Board of Directors, or if he/she desires, to the Chief Executive Officer. Prompt action will be taken to investigate and act on complaints of conduct in violation of this policy. If a claim has validity, appropriate discipline and corrective action will be directed at offending parties.

The Company believes that its employees are entitled to work in a setting that allows them to be comfortable and free of unwanted personal influences. In addition, although this policy is specifically directed to problems of sexual harassment, all employees are reminded that harassment of any sort will not be tolerated by the Company.

H. PERSONAL ACTIVITIES

1. Confidentiality of Information

The Company believes that information pertaining to personal health, performance evaluations, promotability, and compensation data must be maintained in a confidential manner for the protection of individual privacy. Access to this type of information has been severely restricted to individuals so authorized.

In the case of performance, promotability and salary data, access to such information is limited to the Compensation Committee. Accordingly, in order to ensure the ongoing confidentiality of this type of information, it is the Company's policy and the obligation of each management employee to protect and preserve such confidentiality.

Individually, you are expected to protect the confidentiality of your own personal data and are also prohibited from inquiring about such data regarding anyone other than those reporting to you in the chain of command. Should individuals request data from you who are not in your chain of command and, therefore, are not authorized to obtain access to such data, you are required to decline to provide the requested data and to notify your immediate supervisor of the request.

2. Community Involvement

All employees of the Company are encouraged to support the community in which they live and work as long as such activities do not interfere with their employment duties with the Company.

3. Political Involvement

The Company encourages its employees to be politically active, whether as a voter, candidate or supporter of a candidate. In voicing or acting on your political convictions, however, it is important that you clearly communicate that your views are personal and do not represent the views of the Company.

I. COMPLIANCE WITH STANDARDS AND PRACTICES

1. Exceptions

Any exception from the application of the specific policies set forth in this Code must be supported by the prior written approval of an independent board member.

2. Disclosure of Violations

Any employee of the Company having any information or knowledge regarding the existence of any violation of this Code must immediately report such violation to an independent board member.

3. Enforcement

All management personnel of the Company shall be responsible for the enforcement of this Code and reviewing with employees the rules and procedures contained in this Code to ensure employee knowledge and compliance.

4. Audit Procedures

The Chair of the Audit Committee of Board of Directors of the Company may, at his/her discretion, from time to time establish and disseminate additional accounting and financial policies and procedures to monitor and test compliance with the Code.

5. Sanctions

Any employee who has received a copy of this Code (or additional specific policies and procedures issued in accordance with this Code) who is found to have violated its provisions will be subject to immediate disciplinary action including reassignment, demotion, or, where appropriate, dismissal and legal proceedings to recover the amount of any improper expenditures and any other losses that the Company may have incurred as a result of such violation. Violations of this Code may also result in prosecution of the individual under applicable criminal law statutes.

6. Interpretation

All questions regarding the interpretation, scope, and application of the policies set forth in this Code should be referred to an independent board member who will consult with the Company's legal counsel for resolution

