

# MIGENIX Inc. (the “Company”)

## CORPORATE COMMUNICATIONS AND DISCLOSURE GUIDELINES

### OBJECTIVE AND SCOPE

The objective of this guideline is to ensure that communications with the investing public about the Company are:

- Timely, factual, accurate, balanced; and
- Broadly disseminated in accordance with all applicable legal and regulatory requirements.

This guideline replaces our existing disclosure policies and practices. Its goal is to raise awareness of the Company’s approach to disclosure among the board of directors, officers and employees of the Company, and third parties, as applicable. A significant benefit is to raise awareness of the risk of selective disclosures. Among other things, this better awareness can reduce the likelihood of inadvertent trading while in possession of material non-public information.

The Corporate Communications and Disclosure Team (the “CCDT”) is responsible for implementing these guidelines. In so doing, the Committee plays a key role in assisting the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in making annual and quarterly certifications.

This guideline extends to all directors, officers and employees of the Company, and third parties, as applicable. It covers disclosures in documents filed with the securities regulators and stock exchanges, financial and non-financial disclosure, including management’s discussion and analysis (MD&A) and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, CEO Messages, presentations by senior management and information contained on the Company’s website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts, investors, collaborators or strategic partners, interviews with the media as well as speeches, press conferences and conference calls.

This guideline also prohibits all directors, officers and employees of the Company, and third parties, as applicable, from discussing material non-public information in connection with Company matters or developments with anyone (including family members, relatives or friends), except as permitted by this guideline.

## CORPORATE COMMUNICATIONS AND DISCLOSURE TEAM

The Company has established a Corporate Communications and Disclosure Team (the “CCDT”) responsible for ensuring that all securities regulatory disclosure requirements are met and for overseeing the Company’s communication and disclosure practices. The CCDT consists of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and the Chief Business Officer (CBO). As needed, the Company’s securities counsel is consulted on general and specific disclosure matters including the application of these guidelines. The CCDT may invite other officers, directors and employees of the company, when deemed advisable, to assist in the discussion and consideration of its duties.

The CCDT will meet as conditions dictate, at least quarterly, and the CCDT will keep records of these meetings.

CCDT responsibility includes the design, implementation and regular evaluation of the effectiveness of the Company’s disclosure controls and procedures to ensure that information required to be disclosed in Company filings is made known to the CCDT and recorded, processed, summarized and reported within the required time periods. This responsibility includes assisting the CEO and CFO in making annual certifications as to the effectiveness of the Company’s disclosure controls and procedures.

It is essential that the CCDT be kept fully apprised of all pending material Company developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. The CCDT will identify appropriate industry and company disclosure benchmarks, for a preliminary assessment of materiality and timely disclosure. Guided by these benchmarks the CCDT will use experience and judgment and input from legal counsel to determine the timing for public release of material non-public information. If, as sometimes happens, it is deemed that material non-public information should remain confidential, the CCDT will determine, in accordance with this guideline, how that material non-public information will be controlled.

All new public disclosures (oral and written) shall be reviewed and approved by all members of the CCDT before they are expressed.

Following approval by the CCDT, and subject to the appropriate Audit Committee review as outlined below, the following documents will be reviewed and approved by the Board:

- Annual and interim financial statements, related MD&A and news releases;
- Information circulars for any meetings of shareholders and related press releases;
- Annual Information Form (AIF) and Form 20F
- Any take-over bid circulars, issuer bid circulars, director’s circular or rights offering circular.

For news releases regarding significant, unexpected events, the input of the Directors of the Company, to the extent practical, will be sought prior to finalization of the news release (Note: all transactions requiring Board approval must be approved by the Board before announcement of the transaction).

In addition to the above, the Audit Committee will discuss and review with management all quarterly and annual financial statements including related notes, management's discussion and analysis, and all financial news releases containing earnings guidance and financial results before the Company publicly discloses this information. In addition, the Audit Committee will provide recommendations as required to the Board prior to the release of this information. Financial results will be publicly released following audit committee and board approval of the financial statements including related notes, management's discussion and analysis, and earnings guidance and financial results news release.

The CCDT is responsible for ensuring that Company spokespersons receive adequate training, that the stock exchanges on which the Company is listed have comprehensive contact information for the Company spokesperson(s) and that Company staff are aware of their responsibilities if the stock exchange or its representative calls the Company.

The CCDT is responsible for educating its directors, officers and employees of the Company, and third parties, as applicable, about disclosure issues and the guidelines.

The CCDT will review, and update if necessary, this guideline annually or as needed to ensure compliance with changing regulatory requirements, and make recommendations to the Board of Directors for any appropriate changes to the guidelines. The CCDT will report to the Board of Directors quarterly on specific disclosure issues, the process followed, the assessment of the disclosure and other relevant disclosure matters.

## PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

Material information is any information (including material facts and material changes) relating to the business and affairs of the Company that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. Both positive and negative information can be material, as well as information that it forecasts whether an event may or may not occur. Any questions concerning the materiality of particular information should be resolved by the CCDT and if not resolved, will be considered material in order to err on the side of caution. In complying with applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

- Material information will be publicly disclosed immediately via news release (see obligation to file a material change report under "News Releases");
- Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading);
- Unfavorable material information must be disclosed as promptly and completely as favorable information;
- No selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (e.g. in an investor meeting or during a telephone conversation with an analyst). If previously undisclosed material information is inadvertently disclosed to any person not bound by an express confidentiality obligation, this information must be broadly disclosed immediately via news release. If the information is inadvertently disclosed during Market Regulation Services, Inc.

(RS) business hours, the Company must call RS to discuss and/or discuss a halt in trading while the news release is written;

- In some circumstances involving a material change, the CCDT may determine that disclosure would be unduly detrimental to the Company (for example, if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the CCDT determines it is appropriate to publicly disclose. In these circumstances, the CCDT will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential (see “Rumours”).
- Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees. Derivative information (information extracted from a document filed on behalf of another person or company), which is included in a document or oral statement, should include a reference identifying the document that was the source of the information;
- Disclosure on the Company’s website alone does not constitute adequate disclosure of material information; and
- Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure contained a material error at the time it was given.

## TRADING RESTRICTIONS AND BLACKOUT PERIODS

### Policy

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material non-public information affecting that company. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, directors, officers and employees of the Company, and third parties, as applicable, with knowledge of material non-public information about the Company or any other company (“Counter-party”) with whom the Company does business (including partners, customers, suppliers or counter parties in negotiations of potentially material transactions) are prohibited from trading securities of the Company or such Counter-party until the material non-public information has been fully disclosed and a reasonable period has passed for the information to be widely disseminated.

Insiders are personally responsible for filing accurate and timely insider trading reports. Insiders are required to provide a copy of all insider reports to the Chief Financial Officer or other designated person concurrent with their filing to regulatory authorities.

Quarterly trading blackout periods will apply to all directors, officers and employees of the Company, and third parties, as applicable, during periods when financial statements are being prepared but results have not yet been publicly disclosed. Quarterly trading blackouts will commence two weeks prior to the Board Meetings in which the quarterly/annual financial statements are to be considered for approval and will end on the second day following the issuance of a news release disclosing the financial results.

Blackout periods may be prescribed from time to time by the CCDT as a result of special circumstances relating to the Company whereby directors, officers, employees and all persons

who beneficially own and/or control 10% or more of the Company's shares are precluded from trading in its securities (see "Employee and Insider Trading Guidelines"). All parties with knowledge of such special circumstances will also be covered by the blackout. These parties may include external advisors such as legal counsel, investment bankers, investor relations consultants and other professional advisors, and counter-parties in negotiations of material potential transactions.

To protect the reputation of the Company and avoid the appearance of impropriety, directors, officers and employees of the Company, and third parties, as applicable, are required to pre-clear all proposed trades in the Company's securities (including the exercise of stock options) with the Chief Financial Officer or other designated officer of the Company.

#### The "in the necessary course of business" exception

The "in the necessary course of business" exception is a limited one and exists so as not to unduly interfere with the Company's ordinary business activities. The exception is meant to cover communications required to be made to further the business purposes of the Company. Communications in the necessary course of business can include, but are not limited to, communications with:

- vendors, suppliers or strategic partners on issues such as research and development, sales and marketing and supply contracts;
- other directors, officers and employees;
- lenders, legal counsel, auditors, underwriters, financial and other professional advisors to the Company;
- parties to negotiations; and
- government agencies and non-governmental regulators.

## MAINTAINING CONFIDENTIALITY

Any director, officer or employee of the Company, and third parties, as applicable, that are privy to material non-public information are prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to material non-public information to only those who need to know the information and those persons will be advised that material non-public information is to be kept confidential.

Outside parties privy to material non-public information concerning the Company will be told that they must not divulge this information to anyone else, other than in the necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside parties should confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

To prevent the misuse or inadvertent disclosure of material non-public information, the following procedures should be observed at all times:

- Documents and files containing confidential information should be kept in a safe place, with access restricted to individuals who ‘need to know’ that information in the necessary course of business. Code names should be used if necessary;
- Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
- Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;
- Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office;
- Transmission of documents by electronic means, such as by fax, email or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed; and
- Access to confidential electronic data should be restricted through the use of passwords.

## QUIET PERIODS

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe quiet periods prior to quarterly earnings announcements or when material changes are pending. Regular quiet periods will commence two weeks prior to the Board Meetings in which the quarterly/annual financial statements are to be considered for approval.

During a quiet period, the Company will not initiate any meetings or telephone contacts with analysts and investors, but will respond to unsolicited inquiries concerning factual matters. If the Company is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the CCDT will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, extreme caution will be exercised to avoid selective disclosure of any material non-public information.

## DESIGNATED SPOKESPERSONS

The Company designates a limited number of spokespersons with authority for communication with the investment community, regulators and the media. The CEO, CBO, and CFO shall be the official spokespersons for the Company. Individuals holding these offices may, from time to time, designate others within the Company with authority to speak on behalf of the Company as back-ups or to respond to specific inquiries.

Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to

do so by an authorized spokesperson. All such inquiries are to be referred to a designated spokesperson.

## NEWS RELEASES

Once the CCDT determines that a development is material, it will authorize the issuance of a news release unless the CCDT determines that such development must remain confidential for the time being. If developments are to remain confidential, appropriate confidential filings must be made and control of any material non-public information must be instituted. Should material non-public information inadvertently be made in a selective forum, the Company will immediately issue a news release to fully disclose that information. If the inadvertent disclosure occurs during business hours of Market Regulation Services, Inc. (RS), the Company must call RS to discuss and/or request a halt in trading pending dissemination of a news release.

The text of all news releases will be reviewed and approved by at least two of the following: 1) CEO, 2) CFO, 3) CBO and 4) the Company's securities counsel. The CCDT or its designate will determine other employees and parties that need to review a news release prior to its finalization and arrange for such reviews. Additionally, for news releases regarding significant, unexpected events, the input of the Directors of the Company, to the extent practical, will be sought prior to finalization of the news release (Note: all transactions requiring Board approval must be approved by the Board before announcement of the transaction). Each news release will be signed by the CEO, except where the CEO designates (or is not available) the CFO or the CBO may sign the news release. Signing of the news release will signify that the release has been reviewed and approved in accordance with the requirements of these guidelines.

If the stock exchange upon which shares of the Company are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing material non-public information must be provided to its market surveillance division to enable a trading halt, if deemed necessary by the stock exchange. If a news release announcing material non-public information is issued outside of trading hours, RS must be notified promptly and in any event before the market reopens.

News releases will be disseminated through an approved newswire service that provides simultaneous national distribution. Full-text news releases will be transmitted to all stock exchange members, relevant regulatory bodies (in accordance with their requirements), major business wires, national financial media, and the local media in areas where the Company has its headquarters and operations.

News releases will be posted on the Company's website at earliest practical time after confirmation of dissemination over the newswire. The website will include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures.

If the subject of a press release is a material change<sup>1</sup> for the Company, a material change report will also be filed with applicable securities regulators as soon as practicable, but in any event within 10 days of the issuance of the news release.

## CONFERENCE CALLS

Conference calls may be held for quarterly earnings and for major corporate developments, accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a web cast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties applicable to the news (see “Forward Looking Information”).

The Company will provide advance notice of the conference call and web cast by issuing a news release announcing the date, time and topic and providing information on how interested parties may access the call and web cast. These details will be provided on the Company’s website. In addition, the Company may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the website for others to view.

A tape replay of the conference call will be made available for a minimum of seven days and an archived audio web cast and/or text transcript will be made available on the Company’s website for a minimum of 90 days.

The CCDT will hold a debriefing meeting immediately after the conference call and if it determines that selective disclosure of previously undisclosed material information or misleading disclosure has occurred, the Company will immediately disclose or correct the information broadly via news release. If the inadvertent disclosure occurs during business hours of RS, the Company must call RS to discuss and/or request a halt in trading while the news release is written.

## RUMOURS

The Company does not comment, affirmatively or negatively, on rumors. This also applies to rumors on the Internet. The Company’s spokespersons will respond consistently to any rumors, saying, “It is our long standing policy not to comment on market rumors or speculation.”

Should the stock exchange request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the stock, the CCDT will consider the matter and decide whether to make a policy exception. If the rumor is true in whole or in

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<sup>1</sup> A “material change” means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of a security of the Company, or decision to implement such a change by the Company’s Board or senior management of the Company who believe that confirmation of the decision by the Board is probable.

part, this may be evidence of a leak, and the Company will review the matter with securities counsel to determine the appropriate action to be taken.

## CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Company intends to discuss material non-public information at an analyst or shareholder meeting or a press conference or conference call, the discussion must be preceded by a news release of the material non-public information. The Company recognizes that meetings with analysts and significant investors are an important element of its investor relations program. The Company will meet with analysts and investors individually or in small groups as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this guideline. All analysts will receive fair treatment regardless of whether they are recommending buying or selling the Company's securities.

The Company will provide only non-material information through individual and group meetings, in addition to previously publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

The Company will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors and may post this information on its website.

Spokespersons are encouraged to keep notes of telephone conversations with analysts and investors and when practicable more than one Company representative should be present at all individual and group meetings. A debriefing will be held after these meetings and if it is determined that selective disclosure of previously undisclosed material information has occurred, the Company will immediately disclose the information broadly via news release.

Members of the media should not receive material information on an exclusive, embargoed or selective basis. They will receive material information at the same time as everyone else: when a full public announcement is made. Company spokespersons will keep notes of telephone conversations with reporters and will follow up with reporters when there is an inaccuracy in an article, in order to set the record straight, and ensure that the same error does not recur in future articles.

## REVIEWING ANALYST REPORTS AND FINANCIAL MODELS

Upon request, the Company may review analysts' draft research reports or financial models for factual accuracy based on publicly disclosed information. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's financial model and earnings estimates.

To avoid appearing to endorse an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

## LIMITS ON DISTRIBUTING ANALYST REPORTS

Analyst reports are proprietary products of the analyst's firm. Distributing, referring to or providing links to analyst reports may be viewed as an endorsement by the Company of the reports. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or generally to employees of the Company, including posting such reports on its website. Notwithstanding the foregoing, the Company will distribute analyst reports to its directors and senior officers to monitor the communications of the Company and to assist them in understanding how the marketplace values the company and how corporate developments affect the analysis.

Analyst reports may also be provided to the Company's financial and professional advisors in the necessary course of business. The Company may post on its website a complete listing, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, this list will not include links to the analysts' or any other third party websites or publications.

## FORWARD-LOOKING INFORMATION

A consistent approach to disclosure is important. Should the Company elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc., the following guidelines must be observed and are necessary in order to qualify for safe harbour protection under amendments to the Ontario Securities Act which extend statutory civil liability to secondary market disclosures for any "reporting issuer" (which includes all TSX listed issuers) and any other publicly traded issuer with a "real and substantial connection to Ontario":

- All material forward-looking information will be broadly disseminated via news release, in accordance with this guideline.
- The information will be published only if there is a reasonable basis for drawing the conclusions or making the forecast and projections set out in the forward-looking information;
- The document or public oral statement containing the forward-looking information must have, proximate to that information:
  - reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and
  - a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information.
- Additionally, the information may be accompanied by supplementary information such as a range of reasonably possible outcomes or a sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome.

Public oral statements also require a cautionary statement that actual results could differ materially and a reference to material factors and assumptions that could cause actual results to differ materially and to one or more readily available documents that outline such factors or assumptions.

The information will be accompanied by a statement that the information is stated as of the current date, is subject to change after that date and the Company does not undertake to update any forward-looking statement that is contained in that particular disclosure document or other communications.

Once disclosed, the Company's practice for updating forward-looking information will be to regularly assess whether previous statements of forward-looking information should be replaced by updated disclosure, and ensure that past disclosure of forward-looking information is accurately reflected in publicly disclosed documents.

If the Company has issued a forecast or projection in connection with an offering document covered by National Policy 48 (or any replacement policy), the Company will update that forecast or projection periodically as required by National Policy 48 (or any replacement policy).

## PROVIDING GUIDANCE

Through regular public dissemination of quantitative and qualitative information, the Company will try to ensure that analysts' estimates are in line with the Company's expectations. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' financial models or earnings estimates.

If the Company has determined that it will be reporting results materially below or above publicly held expectations, then it will disclose this information in a news release to enable discussion without risk of selective disclosure and to protect against a civil lawsuit alleging misleading disclosure (see "Forward-Looking Information") or failure to provide timely disclosure.

## DISCLOSURE RECORD

The CCDT will maintain a five-year record of all public information about the Company, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors, and newspaper articles.

## RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS

This guideline also applies to electronic communications. Accordingly, the CCDT is also responsible for ensuring that postings on the Company's website are reviewed and approved and that such disclosure is accurate, complete, up-to-date and in compliance with relevant securities laws.

Disclosure on the Company's website alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on the website will be preceded by the issuance of a news release.

Material disclosure documents will be posted on the Company's website. All information posted, including text and audiovisual material, will show the date the material was issued. Any material changes in information must be updated immediately, following issuance of a news release. The website will include a notice that advises the reader that the information was accurate at the time of posting, but may be superseded by subsequent disclosures. The website will also direct readers to [www.sedar.com](http://www.sedar.com) for access to the Company's publicly filed documents.

The CCDT will ensure that a log is maintained indicating the date that material information is posted and/or removed from the Company's website. Documents filed with securities regulators will be maintained on the website for a minimum of two years.

The CCDT will ensure that all links from the Company website to third party websites are approved. The website will include a notice that advises readers they are leaving the Company's website and that the Company is not responsible for the contents of the other site.

The CCDT will ensure that responses are provided to electronic inquiries. Only public information or information that could otherwise be disclosed in accordance with this guideline shall be used to respond to electronic inquiries. The CCDT or its designate will maintain a file of these responses to inquiries for two years.

In accordance with this guideline, directors, officers and employees of the Company, and third parties, as applicable, are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities.

## COMMUNICATION, EDUCATION AND ENFORCEMENT

This Guideline extends to all directors, officers and employees of the Company, and third parties, as applicable. New directors, officers and employees of the Company and third parties, as applicable, will be provided with a copy of this guideline, educated about its importance and, unless already signing off on a code of conduct which encompasses the guideline, will be required to sign a copy as evidence of their commitment to abide by the guideline. This guideline will be posted on the Company's internal website and changes will be communicated to all employees.

Any person who violates this guideline may face disciplinary action up to and including termination of employment with the Company without notice. The violation of this guideline may also violate certain securities laws, which could expose directors, officers and employees of the Company and third parties, as applicable, to personal liability. If it appears that a director, officer or employee of the Company, or a third party, as applicable, may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.