



## **STATEMENT OF POLICIES ON TRADING IN SECURITIES**

Live Current Media Inc. has adopted several policies on trading in securities both of Live Current Media Inc. and of other corporations. These policies apply equally to employees of Live Current Media Inc. and of companies owned by Live Current Media Inc. (all of which are referred to collectively for convenience as the "Company"). "Securities" includes stock, preferred stock, warrants, convertible debentures and exchange-traded derivative securities. Please read this document carefully.

### **POLICY STATEMENT NO. 1: ("INSIDER TRADING")**

No director, officer, employee or consultant of the Company who has any material non-public information relating to the Company or to any publicly traded companies with which the Company does business, such as customers, partners, or suppliers, may buy or sell securities of the Company or such other companies, pass the information to others or otherwise attempt to take advantage of the information. All memoranda, correspondence and other documents that contain non-public information must be kept in a secure place, such as a locked office or locked file cabinet, where others do not have access to such materials. Generally, even if you are not in possession of inside information, you must not recommend to any other person to buy or sell securities of the Company or any other publicly traded companies with which the Company does business.

### **POLICY STATEMENT NO. 2: ("SPECULATIVE TRADES")**

No director, officer, employee or consultant of the Company may engage in any short term or speculative transactions involving securities of the Company.

## **QUESTIONS AND ANSWERS ABOUT INSIDER TRADING**

### **1. Why do we need a written policy?**

Both the Securities and Exchange Commission (the "SEC") and Congress are very concerned about maintaining the fairness of the U.S. securities markets. The securities laws are continually reviewed and amended to prevent people from taking unfair advantage of their position and to increase the punishment for those individuals who do. These laws require publicly traded companies to have clear policies on insider trading. In addition, the Company takes seriously its goal of upholding very high standards of ethics and conduct. We wish to avoid even the appearance of improper conduct on the part of anyone employed by or associated with the Company. We have worked hard to establish a reputation for integrity and ethical conduct and cannot afford to have it damaged.

### **2. What are the penalties for violating the policy?**

For individuals who trade on inside information, or tip information to others:

- A jail term of up to 20 years;

- A civil penalty of up to the greater of \$1,000,000 and three times the profit gained or loss avoided;
- A criminal fine of up to \$5,000,000 (no matter how small the profit); and
- Civil penalties including enforcement action by the SEC and the potential for being barred for life from working in the securities industry or in certain positions at public companies.

For a company (as well as certain supervisors) that fails to take appropriate steps to prevent illegal trading:

- A civil penalty of the greater of \$25,000,000 or three times the profit gained or loss avoided as a result of the employee's violation.

In addition, the Company may impose discipline, up to and including termination, for failing to comply with the Company's policies.

### **3. What is "material information"?**

Material information is any information that a reasonable investor would consider important in deciding to buy, hold or sell stock or that could reasonably be expected to affect the price of the stock. It can be positive or negative information. Again, it can be information about the Company and its subsidiaries or about a company with which we do business.

Examples:

- Projections of future earnings or losses;
- The proposed acquisition of a company or business, or sale of a company or any assets;
- New equity or debt offerings;
- Significant new products or discoveries, or grants or allowances of patents;
- A stock split or change in dividend policy;
- Significant price changes;
- Significant product defects or modifications;
- The gain or loss of a significant product sale, customer or collaborator;
- Significant regulatory actions concerning new or proposed products;
- Results of product trials;
- Financial problems or plans to file bankruptcy;
- Changes in senior management;
- Plans to raise additional capital through stock sales or otherwise; and
- Significant litigation exposure due to actual or threatened litigation.

### **4. When is information "non-public"?**

Non-public information is information that has not been previously disclosed to the general public and is otherwise not available to the general public. Information is considered to be non-public until 48 hours after the Company has disclosed the information by issuance of a press release to the news services or by an appropriate disclosure filing with the SEC.

### **5. How can I tell if something I know is "material"?**

Employees are not expected to make the determination of whether information that they have and that they know is not public is "material," nor should they take the risk of doing so. If you are

aware of some information that might be material and are contemplating a stock trade, you should contact either the Compliance Officer or Chief Executive Officer of the Company. You are encouraged to err on the side of caution.

**6. How do I know if information is now public and it is OK to start trading?**

Once you know that there is material information that needs to be publicly released before anyone can trade, you must wait until 48 hours after the public release is made. If it is information relating to the Company, you can ask the Chief Executive Officer or Compliance Officer if the news release has been made. If it is information relating to a customer, supplier, etc., you might need to investigate other news sources or ask the member of management who is responsible for the relationship with that company. Please remember that the decision of when any information about a company will be publicly released belongs solely to senior management of that company. The timing of news releases can involve many complicated legal and business factors, and delays of several days or longer are not uncommon. No employee should ever disclose material information to the public unless specifically requested to do so, no matter the amount of inconvenience to the employee.

**7. Once information is released publicly, can I go ahead and trade?**

The markets require some time to process new information. Generally, you must wait two full business days after any release prior to trading. Most press releases are made after the market has closed. For instance, if the Company issues a press release after the close of business on Tuesday, you should wait until Friday to trade.

**8. I work for a subsidiary of the Company. Do these policies apply to me?**

These policies apply to all employees, officers, directors and consultants of the Company and its subsidiaries. Even though you might not have daily access to information about Live Current Media Inc. itself, information about your employer or about dealings between your employer and Live Current Media Inc. could have an effect on the price of Live Current Media Inc. stock. You also might have access to information about customers, suppliers and the like that also is covered by this policy.

**9. What can I tell my family members and friends? (Prohibition on "Tipping.")**

You are responsible for ensuring that every person who lives in your household, including any adult relatives or other unrelated persons, complies with this policy. The SEC and the courts often view people in the same household as a "unit" and impose penalties accordingly. In addition, any person who possesses material non-public information about the Company is an "insider" for as long as the information is not publicly known and must not pass that information on to others intentionally or unintentionally ("tipping").

You also should be aware that trading in securities by anyone who received any material non-public information (including information in the form of a recommendation to buy or sell stock, even if the exact item is not disclosed) from you, including your relatives, friends, doctor, lawyer or accountant, can result in liability for you, for them and for the Company. This is true whether you told them in the hopes that they could trade and make some money, whether you were telling stories over a cocktail, or whether you thought they were under an obligation of confidence to you. It does not matter if you benefit personally from their trading. The courts continually are broadening this type of liability, resulting in substantial penalties. The SEC, the stock exchanges and the NASD use sophisticated electronic surveillance techniques to uncover insider trading, and the SEC has imposed large penalties even when the disclosing person did not profit from the

trading. You should exercise extreme discretion in making any disclosures. Of course, your confidentiality agreement also prohibits you from making unauthorized disclosures of the confidential information of the Company or of those with whom the Company does business.

**10. Are there any exceptions?**

Unfortunately, the SEC and the courts do not recognize any exceptions, even the need to raise immediate cash for personal emergencies such as medical expenses. The policy does not, however, apply to exercises of outstanding options (but does apply to sales of any shares purchased by exercising options) because the other party to the transaction is the Company itself. The policy also does not apply to any transactions where there is no real transfer of ownership, such as the transfer of stock into trusts or any gift transactions. Be aware that a sale or purchase of stock that you arrange privately, rather than through the open market, can still result in liability.

**11. Do I need permission to trade in stock?**

Certain executives of the Company will be subject to additional policies regarding trading in Company securities, including pre-approval of trading and limitations on trading during certain "blackout periods." These executives have been separately notified of their obligations.

In addition, there may be times when the Company is aware of material non-public news that is not widely disseminated inside the Company. At such times, the Company may impose upon selected groups of employees an obligation to refrain from trading. Otherwise, there is no need to obtain prior permission. Remember, however, as stated under question 5 above, if you are aware of some information that might be material and are contemplating a stock trade, you should contact either the Compliance Officer or Chief Executive Officer of the Company. You are encouraged to err on the side of caution.

**QUESTIONS AND ANSWERS ABOUT SPECULATIVE TRADES**

**1. What are "speculative trades" and why shouldn't I do them?**

Speculative trades are transactions such as purchasing on margin (*i.e.*, borrowing from a brokerage or bank, but not including "cashless" option exercises), short sales (where you sell stock you do not currently own, in the hope that by the time you have to deliver the market price will have declined) and puts and calls (including options on stock trading on any stock exchange or futures exchange). The Company believes that speculative trading in Company stock reflects poorly on the Company. Employees, officers, directors and consultants may not engage in any types of transactions that are commonly viewed as a form of "betting" for or against the Company.

**2. Am I supposed to hold any stock that I purchase for a particular period of time?**

As a general rule, the Company encourages all employees to hold any stock that they purchase in the open market (*i.e.*, not including stock purchased upon exercise of an employee stock option) for at least six (6) months. The top executives of the Company are already subject to the SEC's "short-swing" profit rule, which prohibits sales and purchases inside of any six-month period. Any employee who wishes to sell Company stock that was purchased in the open market and that has been owned for less than six months must obtain prior written clearance from the Company's Compliance Officer or Chief Executive Officer.

## **Rule 10b5-1 Trading Plans**

You may establish a trading plan that meets the requirements of Rule 10b5-1(c) of the Exchange Act of 1934, as amended, and that has been approved by the Company. Adoption of such a trading plan would relieve you of certain restrictions within the policies as to the shares covered by the plan. If you are interested in adopting a trading plan, we recommend that you contact the Company's Compliance Officer or Chief Executive Officer.

### **Where to go for additional information**

Any person who has any questions about specific transactions or trading plans may obtain additional information from the Company's Compliance Officer or Chief Executive Officer. Note that the ultimate responsibility for adhering to these policies, however, rests with you. Use your best judgment and act with the Company's interests, as well as your own, in mind.

### **STATEMENT OF POLICIES ON TRADING IN SECURITIES BY OFFICERS, DIRECTORS AND CERTAIN KEY EMPLOYEES**

In addition to its policies on trading in securities applicable to all employees, Live Current Media Inc. (the "Company") has adopted several policies on trading in securities that apply specifically to its directors, officers and certain key employees. Please read this document carefully.

#### **POLICY STATEMENT NO. 1: ("Window Periods")**

Directors, officers and certain key employees of the Company may engage in transactions in Company securities only during "Window Periods" beginning the third business day following the publication of the Company's quarterly and annual financial results, unless pursuant to an approved 10b5-1 trading plan (as defined below).

#### **POLICY STATEMENT NO. 2: ("Pre-Clearance")**

Directors, officers and certain key employees of the Company may only engage in stock trades, even during Window Periods, after obtaining prior written clearance ("Pre-Clearance") from the Compliance Officer or Chief Executive Officer, unless the stock trades are made pursuant to an approved 10b5-1 trading plan.

#### **POLICY STATEMENT NO. 3: ("Section 16 Individuals")**

Members of the Board of Directors and executive officers of the Company ("Section 16 Individuals") may not buy and sell Company securities within a six (6)-month period of each other regardless of whether a Window Period is open, and regardless of whether it is pursuant to an approved 10b5-1 trading plan.

### **QUESTIONS AND ANSWERS ABOUT WINDOW PERIODS AND PRE-CLEARANCE**

#### **1. Who is subject to these policies?**

Each member of the Company's Board of Directors and each person holding a title of \_\_\_\_\_ of Live Current Media Inc. or higher is subject to Policy Statements 1 and 2. In addition, the Company may designate certain additional persons as being subject to these policy statements. Such individuals may include the top executives of important subsidiaries and certain other personnel whose jobs involve both executive level responsibility and significant access to material information. The Compliance Officer and Chief Executive Officer will at all times

maintain a list of those individuals who are subject to these policies. Once you have been informed that you are subject to these policies, you will remain so until notified otherwise.

“Short-swing” trading restrictions imposed under Section 16 of the Securities Exchange Act of 1934, as amended, apply only to members of the Company’s Board of Directors and the most senior executive officers. Persons who are subject to Section 16 will be notified separately of their status.

**2. When do the Window Periods begin and end?**

The Window Periods will begin at the open of market on the third business day following the date of public disclosure of the Company's financial results for a particular fiscal quarter or year and will end at the close of market on the last day of the second calendar month of the next fiscal quarter. The Compliance Officer or Chief Executive Officer will inform you of the exact dates of each Window Period.

**3. Are there any exceptions?**

As with the general policy on trading, the policies regarding Window Periods and Pre-clearance do not apply to exercises of outstanding options (but they do apply to sales of any shares purchased by exercising stock options) and any other transactions as to which the officer or director has no control over the timing, such as transactions pursuant to a 10b-1 plan or the exchange of shares pursuant to a merger. The policies also do not apply to any private transactions where there is no real transfer of ownership, such as the transfer of stock into trusts or any gift transactions.

**4. Are trades during Window Periods presumptively OK?**

No. That is why we have the additional Pre-clearance requirement. Any director, executive officer or key employee who is actually aware of material non-public information should never trade until the public disclosure is made, even during Window Periods, unless the stock trades are made pursuant to an approved 10b5-1 trading plan. From time to time, we may declare a special "blackout period" and prohibit trading due to material non-public information developments. Such "blackout periods," however, would not apply to approved 10b5-1 trading plans. Since not every director, officer and key employee will be aware at all times of all material information, the Pre-clearance procedure is needed to ensure that no trades are inadvertently made prior to disclosure of material information.

**5. Are there special reporting requirements for Section 16 Individuals?**

Yes. Section 16 Individuals must also comply with the reporting obligations and limitations on "short-swing" transactions set forth in the federal securities laws. The practical effect of these provisions is that Section 16 Individuals who both purchase and sell the Company's securities within a six-month period must refund all profits from the sale to the Company, whether or not they had knowledge of any material non-public information.

Under these provisions, and so long as certain other criteria are met, the receipt of options under the Company's option plan and the exercise of those options are not subject to these restrictions; however, the sale of any such shares is subject to this six-month rule. Additionally, Section 16 Individuals may never make a short sale of the Company's stock. The Company has provided, or will provide, separate memoranda and other appropriate materials to its Section 16 Individuals regarding compliance with these rules.

## QUESTIONS AND ANSWERS ABOUT 10B5-1 TRADING PLANS

### 1. What is an approved 10b5-1 trading plan?

A 10b5-1 trading plan is a contract, instruction or written plan for the purchase or sale of Company securities that meets the requirements of SEC Rule 10b5-1 and is approved by our Board of Directors, or a committee designated by the Board of Directors, in writing.

### 2. What are the Company's requirements for 10b5-1 trading plans?

The Company imposes some requirements on 10b5-1 trading plans. These requirements are as follows:

- The 10b5-1 trading plan must be in writing and signed by the person adopting the trading plan;
- The plan must be established at a time when the person adopting the plan do not possess material non-public information about the Company;
- The plan must be approved by the Board of Directors, or a committee designated by the Board of Directors, in writing;
- Amendment or modification of the plan is permissible as long as the amendment or modification is approved by the Board of Directors, or a committee designated by the Board of Directors, in writing;
- The first trade made pursuant to the plan may take place no less than thirty (30) days after adoption of the plan;
- The plan must specify a fixed number or dollar amount of shares to be purchased or sold, or specify or establish a formula for the amount of stock to be purchased or sold, the dates on which the stock is to be purchased or sold, and the prices (which can be the market price) at which the stock is to be purchased or sold. The dates of the purchases or sales must be in a range of not less than five trading days, and the choice of the exact trading day must be left to the stockbroker; and
- The plan must include a provision that provides that the Company may send notice to the broker to halt all trades while the Company is negotiating a proposed acquisition, merger, or material sale of any assets, or material equity or debt offerings.

Alternatively, a trading plan can be adopted that completely delegates to another independent person who is free of any inside information (*e.g.*, a stock broker) complete discretion, without any influence whatsoever by the person adopting the plan, as to how, when and whether to sell or purchase shares.

Trades made under the trading plan must be executed by a stockbroker other than the stockbroker that executes trades in other securities for the person adopting the trading plan, and the person adopting the trading plan acknowledges that, during the term of the trading plan, he or she may not confer with the stockbroker executing trades under the trading plan regarding the Company or its securities.

### 3. What actions are necessary to adopt a plan?

You must provide the proposed 10b5-1 trading plan to the Chief Executive Officer or Compliance Officer for his written approval. It must meet the requirements described in this Statement. Once you obtain the Company's approval, you must sign and deliver the trading plan to your stockbroker. The trading plan also must be filed with the Chief Executive Officer or Compliance Officer of the Company.

The Company will only review trading plans for compliance with its own internal requirements and not for compliance with Rule 10b5-1. You remain individually responsible for compliance with all applicable laws, rules and regulations on insider trading and remain subject to disciplinary action for any violations, regardless of whether a 10b5-1 trading plan has been adopted.

The Company strongly recommends that you consult with a stockbroker and outside attorney before adopting a trading plan.

**4. I am subject to the Window Period, which currently is closed. May I adopt a trading plan while the Window Period is closed?**

Rule 10b5-1 trading plans must be established at a time when you are not in possession of material non-public information. Although there is no specific prohibition on adopting a plan during a closed trading window, you should carefully consider whether you are in possession of material non-public information. In addition, the first trading under the plan may not occur until 30 days after adoption of the plan.

**5. My stock brokerage has recommended a trading plan it has drafted. May I use that plan?**

Possibly. You must provide the proposed 10b5-1 trading plan to the Chief Executive Officer or Compliance Officer for approval. It must meet the requirements described in this Statement.

**6. Can I trade outside the 10b5-1 plan?**

Yes. You may sell or purchase Company securities outside of the 10b5-1 trading plan if such trades have received Pre-Clearance from the Company and are made during Window Periods.

**7. Must I publicly disclose my 10b5-1 trading plan?**

No. Persons subject to Rule 144 or Section 16 are, however, required to file applicable forms under those rules. Note that your stockbroker most likely will work with you regarding Form 144 filings and Form 4 filings under Section 16.

**8. Can I terminate the 10b5-1 trading plan?**

Yes. You may terminate your trading plan at any time so long as you promptly provide written notice to the Chief Executive Officer or Compliance Officer of the Company. Note that if you terminate the plan, the Company requires that you not adopt a new 10b5-1 trading plan for ninety (90) days post-termination.

As with all other Company policies, directors, officers and certain key employees must exercise their best judgment and act with the best interests of the Company in mind.