

CODE OF BUSINESS CONDUCT AND ETHICS

1. INTRODUCTION

Each director and officer owes Vermilion Energy Trust (“Vermilion” or the “Trust”) a fiduciary duty, including the obligation to act honestly and in good faith with a view to the best interests of Vermilion. This Code of Business Conduct and Ethics outlines a framework of guiding principles for directors, officers and employees of Vermilion. As with any statement of policy, the exercise of judgment is required in determining applicability of this Code to each individual situation.

2. CONFLICTS OF INTEREST

- (a) Directors, officers and employees shall avoid situations that may result in a conflict or perceived conflict between their personal interests and the interest of Vermilion and situations where their actions as directors, officers or employees are influenced or perceived to be influenced by their personal interests.
- (b) In general, a conflict of interest exists for those who use their position at Vermilion to benefit themselves, friends or families.
- (c) Full disclosure enables directors, officers and employees to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty arises.

3. COMPLIANCE WITH LAW

- (a) Each director, officer or employee must at all times comply fully with applicable law and should avoid any situation which could be perceived as improper, unethical or indicate a casual attitude towards compliance with the law.
- (b) Directors, officers and employees are expected to be sufficiently familiar with any legislation that applies to their directorship, office or employment and shall recognize potential liabilities, seeking legal advice where appropriate.

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4. OUTSIDE BUSINESS INTERESTS

- (a) No director, officer or employee may hold a significant financial interest, either directly or through a relative or associate, or hold or accept a position as an officer or director in an organization in a relationship with Vermilion, whereby virtue of his or her position in Vermilion the director, officer or employee could in any way benefit the other organization by influencing the purchasing, selling or other decisions of Vermilion, unless that interest has been fully disclosed in writing to the Board or senior management as appropriate.
- (b) A “significant financial interest” in this context is any interest substantial enough that decisions of Vermilion could result in gain for the director, officer or employee.

5. CONFIDENTIAL INFORMATION AND SECURITIES TRADING

- (a) Each director, officer and employee must comply with Vermilion’s Corporate Disclosure, Confidentiality and Trading in Securities by Directors, Officers and Employees Policy, a copy of which is Appendix A to this Code.

6. ENTERTAINMENT, GIFTS AND FAVOURS

- (a) Directors, officers and employees may not offer or solicit gifts or favours in order to secure preferential treatment for themselves or Vermilion.
- (b) Gifts and entertainment may only be accepted or offered by a director, officer or employee in the normal exchanges common to established business relationships. An exchange of such gifts shall create no sense of obligation.

7. FAIR DEALING

Directors, officers and employees must always deal fairly with Vermilion’s unitholders, customers, suppliers, competitors and employees.

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8. NON-PROFIT AND PROFESSIONAL ASSOCIATION

- (a) Vermilion supports its directors, officers and employees who contribute to their communities through involvement with charitable, community service and professional organizations. If directors, officers or employees use Vermilion resources for such activities they should only do so with the prior consent of the President and Chief Executive Officer (the “CEO”).
- (b) A director, officer or employee should ensure that he or she is seen as speaking for the organization as an individual and not as a Vermilion director, officer, employee or spokesperson.

9. USE OF VERMILION PROPERTY

Directors, officers or employees should not make use of Vermilion property or resources for their own personal benefit or purposes.

10. POLITICAL PARTICIPATION

Directors engaging in the political process must take care to separate their personal activities from their association with Vermilion.

11. DISCLOSURE

- (a) Each individual being considered for nomination as a Vermilion director must disclose to the Governance and Human Resources Committee all interest and relationships of which the director is aware of at the time of consideration which will or may give rise to a conflict of interest. If such an interest or relationship should arise while the individual is a director, the individual shall make immediate disclosure of all relevant facts to the Corporate Secretary or the Chairman of the Board.
- (b) If the Board is making decisions that may provide a benefit to a director’s private interests, the director shall withdraw from the deliberations altogether.

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- (c) Disclosure may cure a conflict of interest or allow Vermilion to appropriately avoid a potential conflict. However, a conflict may be so severe as to only be resolved by the director's resignation from one or both of the conflicting positions. Each director agrees that if the Board determines a potential conflict cannot be cured, the director will resign from the Board.

12. RESPONSIBILITY

- (a) Each director, officer and employee must adhere to the standards described in this Code of Conduct.
- (b) Any director, officer or employee who knows or suspects a breach of this Code of Conduct must report it to the Chairman of the Board or a member of senior management, as appropriate.
- (c) Each director, officer and employee shall annually review, sign and deliver to Vermilion a copy of this Code of Conduct. [Acknowledgement form is attached hereto].

13. VIOLATION OF THIS CODE

- (a) If the Board determines that a director, officer or employee has breached this Code of Conduct, the Board may sanction the director, including asking for the director's, officer's or employee's resignation. In the case where the violation by an officer or employee is a fundamental breach of their contract of employment, such breach shall constitute grounds for immediate termination of such employment for cause and without notice.
- (b) Each director, officer and employee agrees that when the Board determines that the director, officer or employee has violated this Code of Conduct and request such person's resignation, the director, officer or employee shall resign as requested.

14. CLARIFICATION

A director, officer or employee should seek clarification of the Code of Business Conduct and Ethics policy, where necessary, from the Chairman of the Board, or a member of senior management, as appropriate.

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I ACKNOWLEDGE that I have read and considered the Code of Business Conduct and Ethics for directors, officers and employees of Vermilion and agree to conduct myself in accordance with the Code of Business Conduct and Ethics.

Signature

Print Name

Date

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APPENDIX A

**CORPORATE DISCLOSURE, CONFIDENTIALITY AND TRADING IN
SECURITIES BY DIRECTORS, OFFICERS AND EMPLOYEES**

Purpose

An underlying principle of securities legislation is that the public should have the opportunity to decide whether to buy or sell securities on the basis of information equally available to all. Directors, officers and Employees of a corporation sometimes acquire knowledge of material information concerning the business and affairs of the corporation (or a related corporation), which has not yet been disclosed to the public. If that is the case, they have an unfair advantage in purchasing or selling securities because the seller or purchaser on the other side of the transaction may have made a different investment decision had they been aware of that information.

Similarly, if such a person informs another person of undisclosed material information, and such person purchases or sells securities on the basis of that information, the seller or purchaser on the other side of the transaction is, once again, at a disadvantage.

It covers disclosure in documents filed with the securities regulators and written statements made in the Trust's annual and quarterly reports, news releases, letters to unitholders, presentations by senior management and information contained on the Trust's website and other electronic communications. It extends to oral statements made in public amongst co-workers, business associates or friendships and in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

Certain securities laws in Canada have been enacted so as to prevent and deter such inequitable trading in securities. Vermilion has formulated a policy to assist Directors, Officers and Employees of the Company and its subsidiaries in complying with these laws. The purpose of this memorandum is to advise Directors, Officers and Employees of such policy and some of the legal repercussions of failing to adhere to this policy. Persons who are "insiders" of Vermilion and other persons who regularly come into contact with material or confidential information must also adhere to the Company's Securities Trading and Reporting Policy for Restricted Persons.

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Policy

A disclosure committee (the “Disclosure Committee”), consisting of the following individuals:

- Lorenzo Donadeo, President and Chief Executive Officer (CEO)
- Curtis Hicks, Executive Vice President and Chief Financial Officer (CFO)
- Bob Mac Dougall, Executive Vice President and Chief Operating Officer (COO)
- Paul Beique, Vice President Capital Markets (IRO)

will set benchmarks for a preliminary assessment of materiality and will determine when developments justify public disclosure. The Disclosure Committee will meet as conditions dictate and maintain minutes of meetings. **It is essential that the members of the Disclosure Committee be kept fully apprised of all pending material developments concerning the Company in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information.** If it is deemed that the information should remain confidential, the Disclosure Committee will determine how that inside information will be controlled.

Communications to the investing public about the Trust are to be:

- timely, factual and accurate; and
- broadly disseminated in accordance with all applicable legal and regulatory requirements

The President or Chief Financial Officer will provide a report, at least annually, to the Board of Directors summarizing:

- compliance with this policy for the period under review
- violations of this policy, if any, for the period under review
- sanctions, if any, imposed
- changes in procedures recommended for the policy
- any other information requested by the Board of Directors

After receiving the report of the President or Chief Financial Officer, the Board of Directors will review this policy to ensure that the administration of the policy is adequate and identify any amendments which may be necessary in light of legal and business developments and the Company’s experience in administering the Policy.

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Principles of Disclosure of Material Information

Material information is any information relating to the business and affairs of the Trust that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Trust's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. **It is our responsibility to determine what information is material in the context of the Trust's affairs. We are in the best position to apply the definition of material information to our own unique circumstances.** The more common examples of information which may be Material Information include:

Changes in Corporate Structure

- changes in share ownership that may affect control of Vermilion
- a significant amalgamation, reorganization or merger
- takeover bids in respect of Vermilion's securities or securities of another company or bids by Vermilion for its own securities

Changes in Capital Structure

- public or private sales of additional securities
- planned repurchases or redemptions of securities
- planned consolidations, subdivisions, stock dividends, rights offerings or share exchanges
- changes in the Company's distribution payments or policies
- possible initiation of a proxy fight
- material modifications to the rights of security holders

Changes in Financial Results

- a significant change in expected earnings in the near future, such as the next fiscal quarter
- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Company's assets
- any material change in Company's accounting policy

Changes in Business and Operations

- any development that affects the Company's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers

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- significant new contracts, products, patents, or services or significant losses of contracts or business
- significant discoveries
- changes to the Board of Directors or senior management
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for directors, officers, and other key Employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Company's securities or their movement from one quotation system or exchange to another

Acquisitions and Dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money in the context of Company's business and operations
- any mortgaging or encumbering of the Company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements

A Director, Officer or Employee of the Company who becomes aware of the disclosure of any undisclosed material information is required to report such disclosure to the President immediately.

In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

- a) Material information will be publicly disclosed immediately unless the Disclosure Committee has determined that there is a reasonable basis for believing that such disclosure would be detrimental to the interests of the Corporation. Examples of

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instances in which disclosure might be detrimental to the Corporation's interests are:

- i. release of the information would prejudice the ability of the Corporation to pursue specific or limited objectives or to complete a transaction or series of transactions that are underway;
- ii. disclosure of the information would provide competitors with confidential information that would be of significant benefit to them; or
- iii. disclosure of information regarding the status of ongoing negotiations would prejudice the successful completion of those negotiations

If it is determined that the disclosure of material information will be delayed because such disclosure would be detrimental to the interests of the Corporation, complete confidentiality of the material information must be maintained.

- b) Announcements of material information should be factual and balanced. Unfavorable material information must be disclosed as promptly and completely as favorable material information.
- c) Disclosure must include all relevant information to ensure that no aspect of the disclosure is misleading.
- d) Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person, it must be generally disclosed immediately by news release.
- e) Disclosure must be updated if earlier disclosure has become misleading as a result of intervening events.

Trading Restrictions and Blackout Periods

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, insiders and Employees with knowledge of confidential or material information about the Company or counter-parties in negotiations of material potential transactions, are prohibited from trading shares in the Company or any counter-party until the information has been fully

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disclosed and a reasonable period of time has passed for the information to be widely disseminated.

Trading blackout periods will apply to those Directors, Officers and Employees with access to material undisclosed information during periods when financial statements are being prepared but results have not yet been publicly disclosed. During this time, Employees, Officers, and Directors are not permitted to exercise their options, or buy or sell units of Vermilion (a "Trade).

The blackout period for Employees and Officers of the Company commences on (and includes) the 15th day of the month following the end of a quarter and ends at the end of the second trading day following the issuance of a news release disclosing quarterly results.

The blackout period for non-executive Directors of the Company commences the day the material undisclosed information is provided to the director in advance of the quarterly or annual meeting and ends at the end of the second trading day following the issuance of a news release disclosing the quarterly or annual results.

Individuals Concerned

Staff Members, worldwide.

Selected Staff Members and *Selected* Consultants who participate in the preparation of the financial statements.

This includes the following positions:

- President and CEO
- Corporate Executive Assistant
- Executive Vice-President & CFO
- Executive Vice-President & COO
- Executive Vice-President, Business Development
- Vice President Capital Markets
- Investor Relations Administrator
- Vice President People
- Vice President Marketing
- In-country General Managers
- Manager, Finance
- Operations Controller

Blackout Policy

Quarterly Financial Statements

Commencing approximately two weeks prior to the board meeting approving quarterly or year end financial statements and extending until up to and including the second trading day after the news release of the reporting period.⁽³⁾

Commencing on the 15th day of the month following the end of a quarter and extending up to and including the second trading day after the news release of the reporting period.⁽³⁾

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- Financial Analysts including:
 - International Analyst
 - Domestic Analyst
 - Tax Analyst
- Selected Consultants
- Supervisor of Corporate Planning
- Manager of Operations Accounting

Board of Directors of
Vermilion Resources Ltd.

Commencing approximately one week prior to the board meeting approving quarterly or year end financial statements and extending up to and including the second trading day after the news release of the reporting period.

For further clarity, the current blackout period dates related to the financial statements are outlined on the Company's Intranet. Blackout period dates will be updated annually and communicated to all Employees.

If a Director, Employee, or Officer has received material information, they may be subject to an earlier blackout period than the general period described above. If this is the case and the Director, Employee, or Officer wishes to purchase or sell Vermilion securities, confirmation must be obtained from the Chief Financial Officer (CFO) prior to entering into the transaction.

In the event the CFO is unavailable, the following individuals should be consulted:

- President and Chief Executive Officer
- Vice President Capital Markets
- Corporate Secretary

If other undisclosed material information is ultimately disclosed to a Director, Employee or Officer, the blackout commences the date the undisclosed material information was disclosed to the director, Employee or officer and ends the earlier of one of two dates; either the end of the second trading day following the disclosure to the public of the information, or upon a date when the information is no longer material or relevant. (An example of a date when information would no longer be material or relevant is upon the abandonment of a potential acquisition.)

Blackout periods may be prescribed from time to time by the Company as a result of special circumstances relating to the Company pursuant to which insiders of the Company would be precluded from trading in securities of the Trust. All parties with knowledge of such special circumstances should be covered by the blackout. Such parties may include external advisors such as legal counsel, investment bankers and counter-parties in negotiations of material potential transactions.

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If an Employee is aware that there may be a potential blackout period (other than the blackout period related to the financial statements), then any trades being considered (either through the exercise of a unit option and/or sale of units) must first be cleared by either the CFO or the CEO. This will protect the Employee from unknowingly conducting an illegal trade and causing significant embarrassment and severe consequences to both the individual and the Company.

Potential Consequences with the Securities Commissions

Violations of these policies may be a violation of securities laws and in addition may result in embarrassment or loss to the Company. Under securities laws Employees who make unauthorized disclosure of material information or trade while in possession of undisclosed material information are subject to:

- fines of up to \$1 million or three times the profit made or loss avoided plus administrative penalties of up to \$500,000;
- imprisonment for up to 5 years less one day;
- civil liability to the Corporation for any profit made;
- civil liability to the other party to the trade for the loss incurred by such other party (Employees may have civil liability to persons who trade with persons to whom the Employee "tips" material information).

If the Company discovers that an Employee has violated securities laws, it may refer the matter to the appropriate regulatory authorities.

Potential Consequences as an Employee of Vermilion

Strict compliance with this policy is required. An Employee who fails to adhere to this policy may be subject to disciplinary action by the Company, which could result in termination of employment.

Maintaining Confidentiality

Any Employee privy to material information is 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 such material information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.

Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge such information to anyone else, other than in the

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necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside parties may confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

1. The Director, Officer or Manager responsible for an activity or negotiation which could be deemed as material information should restrict participation or knowledge of such activity or negotiation to a minimum number of Employees, Independent Consultants and Temporary Consultants and notify all involved of their insider status and confidentiality obligations;
2. Documents and files containing material information should be labeled "CONFIDENTIAL";
3. Documents and files containing material information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used if necessary.
4. Material information or confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
5. Material information or confidential matters should not be discussed on wireless telephones or other wireless devices.
6. Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
7. Employees must ensure they maintain the confidentiality of material information in their possession outside of the office as well as inside the office.
8. Transmission of documents by electronic means, such as by fax 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.
9. Unnecessary copying of material information or confidential documents should be avoided and documents containing material or confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of material information or confidential documents should be shredded or otherwise destroyed.
10. Access to confidential electronic data should be restricted through the use of passwords.

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Designated Spokespersons

The Company has designated the following spokespersons responsible for communication with the investment community, regulators or the media:

- Lorenzo Donadeo, President and Chief Executive Officer (CEO)
- Curtis Hicks, Executive Vice President and Chief Financial Officer (CFO)
- Paul Beique, Vice President Capital Markets (IRO)

The individuals listed may, from time to time, designate others within the Company 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 shall be referred to the IRO.

News Releases

Once the Disclosure Committee determines that a development is material, it will authorize the issuance of a news release, unless the Disclosure Committee determines that such developments must remain confidential for the time being, appropriate confidential filings are made and control of that inside information is instituted. Should a material statement inadvertently be made in a selective forum, the Company will immediately issue a news release in order to fully disclose that information.

If the Toronto Stock Exchange (TSX), upon which the Trust's units are listed, is open for trading at the time of a proposed announcement, prior notice of a news release must be provided to the Market Surveillance department to enable a trading halt, if deemed necessary by Market Surveillance. If a news release announcing material information is issued outside of trading hours, Market Surveillance must also be notified before the news release is issued.

Regardless of when an announcement is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination.

Annual and interim financial results will be publicly released as soon as practicable following board approval of the financial statements.

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News releases will be disseminated through an approved news wire service that provides simultaneous national distribution. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media and the local media in Calgary, Alberta, Canada where the Company has its headquarters.

News releases will be posted on the Company's website immediately after release over the news wire. The news release page of the website shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases.

Conference Calls and Industry Conferences

Conference calls and industry conferences may be held in an open manner for quarterly earnings and major corporate developments, whereby discussion of key aspects is accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a spokesperson of the Company will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties.

The Company will provide advance notice of any conference call and webcast by issuing a news release announcing the date and time and providing information on how interested parties may access the call and webcast. In addition, the Company may invite analysts, institutional investors, the media and other interested parties to participate. Any non-material supplemental information provided to participants will also be posted to the website for others to view. A tape recording of the conference call and/or an archived audio webcast on the Internet will be made available following the call for a minimum of 7 days, for anyone interested in listening to a replay.

The Disclosure Committee should meet briefly prior to the analyst conference call, private analyst meeting or industry conference, to discuss and script statements and responses to anticipated questions.

The Disclosure Committee will hold a debriefing meeting immediately after the conference call and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company will immediately disclose such information broadly via news release.

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Rumors

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 those rumors, saying, "It is our 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 units, the Committee will consider the matter and decide whether to make a policy exception. If the rumor is true in whole or in part, the Company will immediately issue a news release disclosing the relevant material information.

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 announce material information at an analyst or unitholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

The Company recognizes that meetings with analysts and significant investors are an important element of the Company's investor relations program. The Company will meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this disclosure policy.

The Company will provide only non-material information through individual and group meetings, in addition to regular 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 maintain a "frequently asked questions" section on its website and will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors.

Spokespersons will keep notes of telephone conversations with analysts and investors and where practicable more than one representative of the Company will be present at all individual and group meetings. A debriefing will be held after such meetings and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company will immediately disclose such information broadly via news release.

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Reviewing Analyst Draft Reports and Models

The Company's policy is not to review analysts' draft research reports or models to confirm, correct or clarify information provided therein. Analyst's reports are proprietary information belonging to the analyst's firm. Re-circulating an analyst's report may be viewed as an endorsement of the report and, therefore, analyst's reports are not to be included in investor packages of the Corporation. If an analyst's report is provided to any employees of the Corporation or persons outside of the Corporation, every effort will be made to ensure that it is evident who authored such report.

Distributing Analyst Reports

Analyst reports are proprietary products of the analyst's firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Company of the report. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or to Employees of Vermilion, including posting such information on its website. The Company may post on its website a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Trust. If provided, such list will not include links to the analysts' or any other third party websites or publications.

Forward-Looking Information

Should the Company elect to disclose forward-looking information (FLI) in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed in accordance with National Instrument 52-101 of the Ontario Securities Commission:

1. The information, if deemed material, will be broadly disseminated via news release, in accordance with this disclosure policy.
2. The information will be clearly identified as forward-looking.
3. The Company will identify all material assumptions used in the preparation of the forward-looking information.
4. The information will be accompanied by a statement that identifies, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement, including a sensitivity analysis to indicate the extent to which different business conditions from the underlying assumptions may affect the actual outcome.
5. The information will be accompanied by a statement that disclaims, except as required by law, the Company's intention or obligation to update or revise the FLI, whether as a result of new information, future events or otherwise.

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Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Company may choose to issue a news release explaining the reasons for the difference. In this case, the Company will update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

Managing Expectations

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

If the Company has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in a news release in order to enable discussion without risk of selective disclosure.

Quiet Periods

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe a quarterly quiet period, during which the Company will not initiate or participate in any meetings or telephone contacts with analysts and investors and no earnings guidance will be provided to anyone, other than responding to unsolicited inquiries concerning factual matters. The quiet period commences on the last day of the month following the end of a quarter and ends with the issuance of a news release disclosing quarterly results.

Disclosure Record

The IRO will maintain a five year file containing all public information about the Trust, 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 disclosure policy also applies to electronic communications. Accordingly, Officers and personnel responsible for written and oral public disclosures shall also be responsible for electronic communications.

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The IRO is responsible for updating the investor relations section of the Company's website and is responsible, along with general counsel, for monitoring all information placed on the website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

The Disclosure Committee must approve all links from the Company's website to a third party website. Any such links will include a notice that advises the reader that he or she is leaving the Company's website and that the Company is not responsible for the contents of the other site.

Investor relations material shall be contained within a separate section of the Company's website and shall 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. All data posted to the website, including text and audiovisual material, shall show the date such material was issued. Any material changes in information must be updated immediately. The IRO will maintain a log indicating the date that material information is posted and/or removed from the investor relations website. The minimum retention period for material corporate information on the website shall be two years.

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.

The IRO shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy shall be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, Employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities. Employees who encounter a discussion pertaining to the Company should advise the IRO immediately, so the discussion may be monitored.

Each Employee's corporate e-mail address is, in fact, a company address. Therefore, all correspondence received and sent via e-mail is to be considered corporate correspondence.

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Communication and Enforcement

This disclosure policy extends to all Employees of Vermilion, the Board of Directors of Vermilion Resources Ltd. and authorized spokespersons. New Directors, Officers and Employees will be provided with a copy of this disclosure policy and will be educated about its importance. This disclosure policy will be circulated to all Employees on an annual basis and whenever changes are made.

Any Employee who violates this disclosure policy will face disciplinary action up to and including termination of his or her employment with Vermilion Resources Ltd. without notice. The violation of this disclosure policy may also violate certain securities laws. If it appears that an Employee may have violated such securities laws, Vermilion may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.