



Corporate Disclosure Policy

Approved by the Arbutus Board on December 7, 2016

1. RATIONALE

This disclosure policy reflects Arbutus Biopharma Corporation (“Arbutus” or the “Company”) commitment to providing timely, transparent, consistent and credible information to the investment community consistent with legal and regulatory requirements.

This disclosure policy confirms in writing our existing disclosure policies and practices. Its goal is to develop and maintain realistic investor expectations by making all required disclosures on a broadly disseminated basis as called for under US and Canadian securities regulations and the NASDAQ Global Market disclosure requirements. Its purpose is also to raise awareness of the Company’s approach to disclosure and the related legal requirements among the board of directors, senior management, employees, insiders and third parties, as applicable. The disclosure policy will be circulated to all directors, officers and employees, including those who have access to undisclosed material information.

Failure to adhere to this policy could result in significant liability for the Company and significant penalties for the employees, up to and including termination of employment or, in certain cases, fines or criminal sanctions.

2. SCOPE

This disclosure policy extends to all employees, officers, the Board of Directors of the Company and all of its subsidiaries and all other insiders of the Company including third parties, as applicable. It covers disclosures in documents filed with securities regulators and stock exchanges, financial and non-financial disclosure, including statements made in the Company’s annual and quarterly reports, news and earnings releases, communication between the Company and analysts, investors, collaborators or strategic partners and the news media, letters to shareholders, presentations and speeches by senior management and information contained on the Company’s website.

This policy also prohibits all employees, officers, board members, insiders and third parties, as applicable, from discussing material nonpublic information in connection with Company matters or developments with anyone (including family members, relatives or friends), except as permitted by this policy.

In the course of the Company’s development, it is probable that we will experience events that will generate both positive and negative news. This policy is designed to help the Company and its employees, officers and directors respond to those events in the most appropriate and responsible manner. We are continually working to maintain the highest ethical standards and a strong corporate reputation.

3. RESPONSIBILITIES

The President, Chief Executive Officer, Chief Financial Officer and General Counsel are responsible for:

1. Establishing, maintaining and periodically evaluating the Company’s disclosure controls and procedures, in compliance with applicable law, regulations and this disclosure policy;

2. Evaluating corporate developments and determining if certain information is material and requires disclosure, as well as appropriate content and timing of this disclosure; and
3. Reviewing and approving all public disclosure of the Company.

4. DEFINITIONS

Material Information

Material information is any information that would be likely to or could reasonably be expected to affect the market price or value of the Company's shares or would be likely to be considered important by a reasonable investor in making a decision to buy, hold or sell the Company's securities. Material information may include any guidance offered by the Company. Both positive and negative information can be material, as well as information that forecasts whether an event may or may not occur. Any questions concerning the materiality of particular information should be resolved by the Disclosure Committee and if not resolved, will be considered to be material in order to err on the side of caution. Under certain circumstances, the Disclosure Committee (as described below) may determine a disclosure to be detrimental to the Company, in which case, the information will be kept confidential until the Disclosure Committee determines it may be publicly disclosed. The Disclosure Committee will periodically (at least every 3-4 days) review its decision to keep the information confidential and may file a confidential material change report with the applicable security regulatory authorities.

The following examples of material information about the Company are set out in the Company's Insider Trading Policy and include, but are not limited to:

- (a) changes in share ownership that may affect control of the Company;
- (b) a major reorganization of the Company or an amalgamation or merger of the Company with another company;
- (c) a takeover bid, issuer bid or insider bid;
- (d) a planned split or consolidation of the Company's common shares;
- (e) a material modification to rights of the Company's security holders;
- (f) a significant increase or decrease in the Company's near-term earnings prospects;
- (g) any development that affects the Company's resources, technology, products or markets;
- (h) significant new contracts, products, discoveries, patents or services or significant losses of contracts or business;
- (i) a change in senior management or other major personnel changes;

- (j) significant legal exposure due to actual, pending or threatened litigation; or
- (k) significant acquisitions or dispositions of assets, property or joint venture interests.

If the Company is made aware that an earlier disclosure by the Company contained a material error or omission at the time of release, it must issue a correction immediately.

5. POLICY

Maintaining Confidentiality

Outside parties privy to material nonpublic information concerning the Company will be prohibited from disclosing such information to anyone else.

Any officer, director, insider employee and third party, as applicable, privy to material nonpublic information is required to maintain its confidentiality and is prohibited from communicating such information to anyone. Efforts will be made to limit access to such confidential information to only those who need to know the information and those persons will be advised that the information is to be kept confidential. Such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement or confidentiality and non-disclosure agreement.

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

- Documents and files containing confidential material nonpublic information should be kept in a safe place, with access restricted to individuals who “need to know” that information;
- 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;
- All internal documentation should be appropriately marked as confidential and for internal use only;
- Code names should be used if necessary;
- 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;
- Caution should be used when distributing confidential documents electronically and email distribution should only be used when absolutely necessary;
- Access to confidential electronic data should be restricted through the use of passwords; and
- Confidential matters should not be discussed in places where the discussion may be overheard, such as

elevators, hallways and restaurants, airplanes or taxis.

Trading Restrictions and Blackout Periods

It is illegal for anyone to purchase or sell securities of any public Company while possessing material nonpublic information. As noted above, it is also illegal for anyone to inform any other person of material nonpublic information (also referred to as “tipping”). Therefore, individuals with knowledge of material nonpublic information about the Company are prohibited from trading shares in the Company until the information has been fully disclosed and a reasonable period of time, as outlined in the Company’s Insider Trading Policy, has passed to allow for the information to be widely disseminated. The same trading restrictions also apply to material nonpublic information relating to any other company with whom the Company does business, including partners, collaborators, customers or suppliers obtained in the course of employment.

Generally, trading blackout periods will apply to all employees, the Board of Directors, insiders and third parties, as applicable. Discretionary blackout periods may be prescribed from time to time by the Chief Financial Officer as a result of special circumstances or developments relating to the Company. Some or all of the employees, officers or directors of the Company may be prohibited from trading in securities of the Company during these special periods. External advisors such as legal counsel or investment bankers and counter-parties in negotiations of material potential transactions may be subject to these trading restrictions.

This commentary is intended as a general outline of the principles of our Insider Trading Policy. For a detailed discussion of the restrictions on trading, please refer to the Company’s Insider Trading Policy. To the extent that there is any inconsistency between this commentary and the provisions of the Company’s Insider Trading Policy, the terms of the Insider Trading Policy govern.

Selective Disclosure

Selective Disclosure is the disclosure of material nonpublic information to any individual or group prior to the broad public dissemination of that information. It is against the law and Company policy to selectively disclose material nonpublic information to people or groups outside of the Company at any time, except under a confidentiality or nondisclosure agreement and as permitted by law. Under the disclosure laws and restrictions of both Canadian and US securities regulators, any previously material nonpublic information that is intentionally or unintentionally disclosed, must be released to the general public immediately. The Company is required to comply with the rules regarding selective disclosure contained in Regulation FD adopted by the Securities and Exchange Commission.

Disclosure Committee

The Disclosure Committee consists of the Chief Executive Officer, Chief Financial Officer, and General Counsel. Additional members of management will participate in Disclosure Committee meetings, as appropriate. The Disclosure Committee will meet as required. The Disclosure Committee will submit periodic reports of the

Disclosure Committee's work and findings to the Company's Audit Committee.

. The Committee will also engage outside legal counsel as appropriate, with expertise on the issue at hand.

Roles and Responsibilities

In addition to responsibilities outlined above, the committee is responsible for keeping abreast of developments with regulators (including, but not limited to, the NASDAQ, SEC and Canadian securities regulatory authorities) that impact the Company's responsibilities in this area.

The Disclosure Committee shall have full access to the books and records of the Company as well as senior management and the board of directors in support of their discharge of responsibilities.

Designated Spokespersons

In order to maintain consistency and control over corporate disclosure, the Company has designated a limited number of spokespersons with authority for communication of corporate matters with the investment community, regulators and the media. The Chief Executive Officer, the Chief Financial Officer and Senior Vice President, Corporate Affairs will be designated the official spokespersons for the Company. Individuals holding these offices may, from time to time, designate others to speak on behalf of the Company as back-ups or to respond to specific inquiries. Every effort shall be made to ensure that designated Company spokespersons are appraised of corporate events.

Requests for access to Company information or Company officials are to be directed through the Chief Financial Officer who will be responsible for prioritizing requests. The Chief Financial Officer will determine the designated spokesperson, set up the meeting or call, supply any required background information, and either the Chief Financial Officer or his designated back-up will attend the call to ensure no selective disclosure takes place.

Persons Who Are Not Authorized Spokespersons

Persons who are not authorized spokespersons must not respond to inquiries from the investment community, the media or others, unless specifically asked to do so by a designated spokesperson in order to ensure consistent disclosure and avoid the selective disclosure. Such persons may respond with "I am not authorized to speak on behalf of the Company" and must refer such inquiries to the Company's Investor Relations department, or such other person as designated by the Chief Financial Officer.

Public Release of Financial Information

In compliance with the Audit Committee Charter, the Audit Committee will discuss and review with management all quarterly and annual financial results including the related notes and the management's discussion and analysis and all financial news releases before the Company publicly discloses this information. In addition, the Audit Committee will provide recommendation as required to the Board prior to the release of this information, unless

the Audit Committee is authorized on behalf of the Board to approve such information in accordance with the Audit Committee Charter.

News Releases

Once a determination is made that a development is material, a news release will be issued immediately, unless it is determined that such development must remain confidential for the time being and appropriate control of that information is instituted and insider trading on such information is monitored. In these circumstances, a confidential filing with Canadian securities regulatory authorities will be required; provided, however, that in the event that such event requires a filing with the SEC, such filing shall also be made on a timely basis. Should a material oral statement inadvertently be made in a selective manner, the Company will take immediate steps to promptly issue a news release in order to fully publicly disclose that information and will post that information on its website and action any necessary regulatory filings, and shall take any other steps required by applicable law, including Regulation FD adopted by the SEC. These steps will include contacting relevant stock exchanges and, as appropriate, requesting that trading be halted pending dissemination of the news release.

To the extent practicable, the Senior Vice President, Corporate Affairs or other designated investor relations personnel familiar with the Company's disclosure record will accompany senior management officers in any meetings or discussions with analysts or investors in order to, as a minimum, monitor the conversation for any unintentional disclosure of new material information and to facilitate getting that information released promptly.

If the stock exchanges upon which the Company's shares are listed are open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to their market surveillance divisions to enable a trading halt if deemed necessary by the stock exchanges. If a news release announcing material information is issued outside of trading hours, market surveillance must be notified before the market opens.

News releases will be managed by the Investor Relations department and approved by the President and Chief Executive office and the Chief Financial Officer. News releases will be posted on the Company's website immediately after confirmation of release over the newswire. The news releases page of the Company's website will include a notice that advises readers that the information posted was accurate at the time of posting, but may be superseded by subsequent developments for which the Company is not obligated to update the prior disclosures.

Conference Calls

Conference calls will be held for quarterly earnings and major corporate developments, as appropriate, accessible simultaneously to all interested parties or to the public in general, 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 Company spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants and listeners

to publicly available documents containing the assumptions, sensitivities and full discussion of the risk factors and uncertainties relating to the Company and the conduct of its activities and business.

The Company will provide advance notice of the conference call and webcast by issuing a news release announcing the date, time and topic and providing information on how interested parties or the public in general may access the call and webcast. These details will be provided on the Company's website. In addition, the Company may, upon request or as time permits, 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.

The telephone conference call will be made available for replay for at least one week following the call and archived via the Internet on the Company's website until the next conference call. Archives of conference calls, webcasts and presentations retained on the website are to be considered time-dated material and not a current representation of Company views of its guidance or business.

The Disclosure Committee will hold a debriefing meeting immediately after the conference call and if it determines that selective disclosure of previously undisclosed material nonpublic information has occurred, the Company will immediately disclose the information broadly via news release and/or take any other steps required or permitted by applicable securities laws, including Regulation FD adopted by the SEC.

Analyst, Media and Investor Meetings

The Company makes a practice of responding to analyst, media and investor inquiries in the form of emails, phone conversations, one-on-one meetings and meetings with groups of analysts and investors. The purpose of these meetings is for investors to gain a better understanding of the strategies and fundamentals of the Company, as well as to give analysts and investors the opportunity to personally meet and assess management. The Company also participates in a number of both Company-hosted and analyst-hosted conferences and other meetings, as schedules permit. The Company cannot make material information immaterial simply by breaking the information into seemingly nonmaterial pieces. At the same time, the Company is not prohibited from disclosing non-material information to analysts, even if these pieces help the analyst complete a "mosaic" of information that, taken together, is material nonpublic information about the Company.

In the case of conferences or Company-hosted presentations, continual effort will be made to announce publicly that the presentation will be held and to provide webcast access to the presentation.

The Disclosure Committee will hold a debriefing meeting immediately after conferences, Company-hosted presentations, phone conversations, one-on-one meetings and meetings with groups of analysts and investors, and if it determines that selective disclosure of previously undisclosed material nonpublic information has occurred, the Company will immediately disclose such information broadly via news release and/or take any other steps required or permitted by applicable securities laws, including Regulation FD adopted by the SEC.

Rumors

The Company does not comment, affirmatively or negatively, on rumors. The Company's spokespersons will respond consistently to any rumors, saying, "It is our policy not to comment on market rumors or speculation."

Should a stock exchange or any securities regulatory authority request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the Company's securities, the Disclosure Committee will consider the matter and decide whether to make a policy exception, and decide whether to make a recommendation to the President and Chief Executive Officer as to the nature of the Company's response, such as by confirming that there are "no corporate development at this time". If the rumor is true in whole or in part, this may be evidence of a leak of material nonpublic information, and the Company will immediately issue a news release disclosing the relevant material information.

Rumors about the Company that are posted on the Internet or in Internet chat rooms are covered by this disclosure policy. Employees should not respond to rumors about the Company found on the Internet and in Internet chat rooms and all rumors should be referred to the designated Company spokespeople for appropriate action (refer to "Responsibility for Electronic Communications" section of this policy).

Forward-Looking Information

The Company will, from time to time, elect to disclose forward-looking information in corporate documents, oral statements, presentations and conference calls. When disclosing forward-looking information, the Company intends to follow the safe harbor provisions set out in the *United States Private Securities Litigation Reform Act of 1995* and applicable securities laws in Canada. When disclosing forward-looking information corporate documents, speeches, presentations and conference calls, the following guidelines will be observed:

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. There must be a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information;
4. The information will be accompanied by a cautionary statement proximate to the forward-looking information that, in specific terms, (i) identifies the material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and (ii) contains a statement of the assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
5. The information will be accompanied by a statement that disclaims the Company's intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. 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).

If the forward-looking information is contained in a public oral statement, the person making the public oral statement (or another person on his or her behalf) must:

1. Make a cautionary statement that his or her comments include forward-looking information;
2. State that actual results could differ materially from a conclusion, forecast or projection in the forward-looking information;
3. State that certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection reflected in the forward-looking information; and
4. Identify a readily-available corporate document (or portion of a readily-available corporate document) where additional information can be found about the material factors that could cause actual results to differ materially from the conclusion, forecast or projection in the forward-looking information, and the assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information.

Providing Guidance and Managing Expectations

In order to enable management to maintain our long term focus on building a sustainable business, at this time the Company will not provide short term earnings guidance but will provide through public dissemination elements of the Company's financial statements, relevant market information, trends and tools in order to assist analysts and investors to make their own estimates. At times the Company will provide guidance around strategic objectives, goals and milestones for the Company as well as the trends that are affecting our business but we will not translate this information into how these trends are likely to affect our business during a given short term accounting period.

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

If the Company has determined that it will be reporting results materially below or above publicly held expectations, it may decide to disclose this information in a news release to enable discussion without risk of selective disclosure (see "Forward Looking Information").

Quiet Periods

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the

Company may observe “quiet periods” prior to quarterly and annual earnings announcements or when material changes are pending. Regular quiet periods will commence on the last day of the quarter or year-end and continuing until three business days after the earnings are publicly released.

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 Disclosure Committee 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, nonpublic information.

Analyst Communications and Relations

Reviewing Analyst’s Draft Reports and Financial Models

The Company will take reasonable steps to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts have appropriate basis to prepare estimates and are in line with the Company’s own expectations. If requested, and as possible, the Company will review analysts’ draft research reports or financial models for factual accuracy of the information based on what is in the public domain.

The Company will not review the sections of the research reports containing analyst conclusions, recommendations, price targets or valuations. The Company will limit review of the remaining sections of these draft documents only to ensure factual accuracy of the already disclosed public information. At no time will the Company confirm, or attempt to influence, an analyst’s opinions, conclusions, financial models or 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 based on publicly disclosed information.

Analyst reports are proprietary products of the analyst’s firm and re-circulation of a report prepared by any analyst may be viewed as an endorsement of such report by the Company. The Company will not provide analyst reports through any means to outside of the Company and will not publish this information on its website.

Analyst and Investor Access to the Company

The Company will provide fair access to Company information and officials within the limits of its time and resources. All analysts and investors will at least have access to the Company’s investor relations personnel. Requests for meetings with senior management will be met as schedules permit and may be determined by such criteria as the number of shares an investor holds in the Company’s securities, an analyst’s or investor’s knowledge of the Company and the industry in which the Company operates, and how often the analyst or investor has met with top officials in the Company. Where practicable, more than one Company representative will be present at all individual and group meetings with analysts and significant investors.

Under no circumstances will the Company deny an analyst or investor access to Company information or officials on the basis of a negative recommendation on the Company's securities or a decision to sell the Company's securities.

Providing Material to the General Public

The Company's policy is that the media will receive new material information at the same time the investment community and the public receive it. Therefore, the Company will not engage in providing exclusive stories to the media of upcoming material events that have not been publicly announced (unless the media agrees to embargo such information pending public disclosure).

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.

The Senior Vice President, Corporate Affairs, is responsible for updating the investor relations section of the Company's website and is responsible for monitoring all Company information placed on the Company's website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws. The Chief Financial Officer must approve all links from the Company website to a third party, as applicable, 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 developments which the Company assumes no obligation to update. 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 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 nonpublic information. Any disclosure of material information on its website will be preceded by the issuance of a news release and shall otherwise comply with applicable disclosure rules, including Regulation FD adopted by the SEC.

The Chief Financial Officer or the Senior Vice President, Corporate Affairs, shall 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 nonpublic 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

designated Company spokesperson immediately, so the discussion may be monitored.

Communication, Education and Enforcement

This corporate disclosure policy extends to all employees, officers, the Board of Directors of the Company and all of its subsidiaries and all other insiders of the Company, including third parties, as applicable. New directors, officers and employees will be provided with a copy of this disclosure policy and educated about its importance. The policy will be reviewed periodically to ensure it is current.

Any employee who violates this disclosure policy may face disciplinary action up to and including termination of employment with the Company without notice. The violation of this disclosure policy may also violate certain securities laws, which could expose directors, officers, employees or other subject persons to personal liability. If it appears that an employee 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, including criminal sanctions.