

CONFIDENTIAL DISCLOSURE AGREEMENT

WHEREAS, _____ ,
of _____
(hereinafter referred to as the "Disclosee") will be receiving information directly or indirectly from
_____ of _____ , Ontario, (hereinafter
referred to as the "Discloser"), relating to the design, operating principles and utilization of a

devised and/or developed by the Discloser, for which device patent, industrial design or copyright
protection is being sought;

WHEREAS, it will be necessary for the Discloser to disclose to the Disclosee information and data that the Discloser considers to be confidential and/or proprietary and which the Discloser has heretofore treated as secret, which information may or may not be of a patentable nature and may or may not be protectable by one or more of the other forms of intellectual property protection specifically enumerated above, (all such information and data disclosed to the Disclosee hereunder being hereinafter referred to as the "Confidential Information");

NOW THEREFORE, and in consideration of the disclosure to him/it of the Confidential Information, the Disclosee agrees that he/it shall not, without the prior written consent of the Discloser, make copies of the Confidential Information disclosed hereunder, or divulge any of the Confidential Information communicated to or acquired by him/it, except to persons who have concluded with the Discloser an agreement in similar terms to the present Agreement. The Disclosee further agrees that none of the Confidential Information disclosed hereunder shall be used by the Disclosee for any commercial purpose until such time as a further agreement with the Discloser is concluded to take the place of the present agreement, it being understood and acknowledged by the Disclosee that the sole purpose of disclosing the Confidential Information to the Disclosee hereunder is to enable the Disclosee

to assess the commercial and technical merits of the Confidential Information with a view to entering into a mutually beneficial further agreement for the commercial exploitation of the Confidential Information.

It is further understood and agreed to by the Disclosee that any Confidential Information disclosed to the Disclosee hereunder is to be held in trust by the Disclosee for the benefit of the Discloser until such time as a joint development or other further agreement is concluded between the parties to take the place of this Agreement.

It is further understood and agreed to by the Disclosee that, in addition to the duty of confidence imposed above, the Disclosee, following the disclosure to it of the Confidential Information by the Discloser, stands in a fiduciary relationship with the Discloser within the meaning of *International Corona Resources Ltd. v. Lac Minerals Ltd.*, (1988) 18 C.P.R. (3d) 263.

It is further understood by the parties that this Agreement does not apply to information and data which is now available to the Disclosee from non-confidential sources, nor to information and data not originating from or supplied by the Discloser and shown to be already in the possession of the Disclosee at the date of signing this Agreement.

DATED at _____, Ontario, Canada

this _____ day of _____, 200____.

WITNESS:

DISCLOSEE:
