

APPULSE CORPORATION

June 30, 2006

CODE OF BUSINESS CONDUCT

1. Introduction

This Code of Business Conduct and Ethics is applicable to all employees, officers and directors (the “Employees”) of Appulse Corporation (“Appulse”) and its affiliates and subsidiaries (collectively, “Appulse” or the “Corporation”). Appulse requires the highest standards of professional and ethical conduct from our Employees. The reputation of Appulse for honesty and integrity among its stakeholders is key to the success of its business. No Employee will be permitted to achieve results through violations of law or regulation, or through unscrupulous dealings. All Employees of Appulse must respect and comply with the letter and spirit of all of the laws, rules and regulations of Alberta and Canada applicable to the Corporation and of any jurisdiction in which the Corporation does business. Individuals who fail to comply with such laws, rules and regulations will be subject to disciplinary measures, up to and including discharge from Appulse.

Compliance with this Code is a condition of employment and any violations will be dealt with appropriately. In addition to following this Code in all aspects of our business activities, employees are expected to seek guidance in any case where there is a question about compliance with the letter and spirit of our policies or applicable laws or regulations. This Code sets forth general principles and does not supersede the specific policies and procedures of Appulse as contained in separate policy statements or mandates.

2. Conflicts of Interest

All Employees must be scrupulous in avoiding a conflict of interest with regard to Appulse’s interests. A “conflict of interest” exists when an individual’s private interests interfere or conflict with or appear to interfere or conflict with the interests of the Corporation. A conflict of interest may arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her professional obligations objectively and effectively or when he or she otherwise takes action that is inconsistent with the interests of the Corporation for his or her direct or indirect benefit or for the direct or indirect benefit of a third party. A conflict of interest may also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in Appulse, whether received from Appulse or a third party.

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Conflicts of interest are prohibited as a matter of policy, except as specifically approved by the board of directors (the “Board”) of the Corporation and except in accordance with applicable laws and regulations. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management of the Corporation or the President of the Corporation. Any employee, officer or director who becomes aware of a conflict or a potential conflict must bring it to the attention of a supervisor or manager who must thereupon bring it to the attention of the President of the Corporation or the Chair of the Corporate Governance and Nomination Committee of the Board. Appulse has implemented a Whistle Blower Policy which has been made available to Employees.

3. Corporate Opportunities

Employees are prohibited from:

- taking for themselves personally opportunities that properly belong to Appulse or are discovered through the use of Appulse property, information or position; and
- using Appulse property, information of position for personal gain.

4. Accuracy of Appulse’s Records and Reporting

Appulse is listed on the TSX Venture Exchange and is subject to certain disclosure and reporting obligations under securities laws.

The Chief Executive Officer of the Corporation and the Chief Financial Officer of the Corporation, with the assistance of appropriate Committees of the Board, are responsible for establishing and managing Appulse’s financial reporting systems to ensure that:

- all business transactions are properly authorized;
- all records fairly and accurately reflect the transactions or occurrences to which they relate;
- all records fairly and accurately reflect in reasonable detail the assets, liabilities, revenues and expenses of the Corporation; and
- no information is concealed from the independent auditors, the Audit Committee of the Board or the Board.

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All employees have a responsibility to ensure that:

- accounting records do not contain any false or intentionally misleading entries;
- no transactions are intentionally misclassified as to accounts, department or accounting periods; and
- all transactions are supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

Each employee, officer and director and any person acting under the direction thereof is prohibited from taking any action to fraudulently influence, coerce, manipulate, or mislead any independent accountant engaged in the performance of an audit of the financial statements of the Corporation for the purpose of rendering such financial statements misleading.

Each employee, officer and director is to exercise the highest standard of care to ensure that reports, documents and other public communications are prepared in accordance with the guidelines set forth below.

- Compliance with generally accepted accounting principles is required at all times supplemented, as may be required, by additional disclosure.
- Compliance with internal accounting controls is required at all times, and no actions designed to circumvent such controls and procedures will be tolerated.
- Compliance with disclosure controls and procedures is required at all times, and no action designed to circumvent such controls and procedures will be tolerated.

5. Compliance with Laws, Rules and Regulations

The CEO and the CFO are expected to ensure compliance with both the letter and spirit of all applicable laws and governmental rules and regulations. The CEO and the CFO will be responsible for establishing and maintaining procedures to:

- educate Employees about applicable laws and governmental rules and regulations;
- monitor compliance of Employees with applicable law and governmental rules and regulations; and

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- identify any possible violations of applicable laws and governmental rules and regulations and report to the Audit Committee of the Board and correct in a timely and effective manner any violations of applicable laws or governmental rules and regulations.

Should any employee, officer or director have concerns or complaints regarding questionable accounting or auditing matters or identify a possible violation of applicable law or regulation, then he or she is required to report such possible violation pursuant to the Corporation's Whistle Blower policy.

6. Compliance with Environmental Laws

Appulse is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Corporation is in compliance with applicable environmental laws and regulations. If any employee, officer or director has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should discuss the matter with the President of the Corporation.

7. Discrimination and Harassment

Appulse values the diversity of its Employees and is committed to providing equal opportunity in all aspects of employment. Abusive, harassing or offensive conduct is unacceptable.

8. Confidentiality

Employees of Appulse must maintain the confidentiality of confidential information entrusted to them by the Corporation or its suppliers or customers, except when disclosure is authorized or required by applicable law, regulation or legal proceedings. Whenever feasible, an employee, officer or director should consult the President of the Corporation if he or she believes that he or she has a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors or harmful to the Corporation or its customers if disclosed. It also includes information that suppliers and customers have entrusted to the Corporation.

9. Protection and Proper Use of Corporate Assets

All Employees should endeavour to protect assets of the Corporation and ensure their efficient use. No employee, officer or director may use the Corporation's property for personal use of benefit or for the personal benefit of a third party without express authorization from the President of

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the Corporation. Any suspected incidents of fraud or theft should be immediately reported to the President of the Corporation for investigation.

The obligation to protect the Corporation's assets includes proprietary information. Proprietary information includes any information that is not generally known to the public and would be helpful to competitors. The obligation to preserve proprietary information continues even after the employee, officer or director leaves Appulse.

10. Insider Trading

Insider trading is illegal. The Corporation has a Disclosure Policy, which sets forth obligations in respect of trading in shares of the Corporation.

11. Fair Dealing

Each employee, officer and director should endeavour to deal fairly with customers, suppliers, competitors, officers and employees.

12. Use of Communication Devices including E-Mail and Internet Services

The Corporation's phone system, faxes, e-mail, and Internet are to be used for business purposes only. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. Your messages (including voice mail) and computer information are considered property of Appulse and you should not have any expectation of privacy. Use good judgment, and do not access, send messages or store any information that you would not want to be seen or heard by other individuals.

13. Gifts and Entertainment

Business gifts and entertainment are customary courtesies designed to build goodwill among business partners. These include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, travel, accommodation and other merchandise or services. These courtesies can play an important role in business relationships. However, a problem may arise when such courtesies compromise, or appear to compromise, our ability to make objective and fair business decisions. The same rules apply to Employees offering gifts and entertainment to our business associates.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. These guidelines apply at all times, and do not change during traditional gift-giving seasons.

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If you are having difficulty determining whether a specific gift or entertainment item lies within the bounds of acceptable business practice, employees should seek the advice of their supervisor or the CFO of the Corporation.

14. Commercial Bribery

No funds of the Corporation shall be paid, loaned or other wise disbursed nor shall any assets of the Corporation be given, leased or otherwise disposed of as bribes, kickbacks or other payments designed to influence or compromise the conduct of the recipient. No officer or employee of the Corporation shall accept any funds or assets for assisting any person or entity to obtain business or to secure special concessions from the Corporation.

15. Compliance Procedures

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation.

If you do not feel comfortable discussing the matter with your supervisor or manager, please contact the President of the Corporation or refer to the Corporation's Whistle Blower Policy for alternative contacts. The Audit Committee of the Board is composed of director's independent from Appulse. We strive to ensure that all questions or concerns are handled fairly, discreetly and thoroughly. We prohibit retaliatory action against any employee who, in good faith, reports a possible violation. It is unacceptable to file a report knowing it to be false.