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DIRTT

DIRTT Environmental Solutions Ltd.

Disclosure Compliance Policy

October 1, 2019

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I. PURPOSE

DIRTT Environmental Solutions Ltd. (the "Company") believes it is important to maintain an active and transparent dialogue with current and potential investors and financial industry professionals. At the same time, the Company, its employees and members of its Board of Directors (the "Board") are subject to selective disclosure rules, including applicable securities and stock exchange rules in Canada and the United States and U.S. Regulation FD (Fair Disclosure) (collectively, "Selective Disclosure Rules"), which generally prohibit the disclosure of material information about the Company to certain persons ("selective disclosure") if the information is not previously or simultaneously generally disclosed to the general public.

This policy is intended (i) to provide the Company's employees and Board members with guidelines and procedures for complying with Selective Disclosure Rules and (ii) thereby to prevent improper selective disclosure of material information about the Company.

For the purposes of this policy, "applicable securities laws and exchange rules" refer to (a) the Securities Act (Alberta) and the equivalent thereof in each province and territory of Canada in which the Company is a "reporting issuer" or equivalent thereof, together with the regulations, rules and blanket orders of the securities commission or similar regulatory authority in each of those jurisdictions; (b) the United States Securities Act of 1933 (the "U.S. Securities Act"), the United States Securities Exchange Act of 1934 (the "U.S. Exchange Act") and any rules or regulations thereunder; and (c) the rules of each of the Toronto Stock Exchange and The Nasdaq Stock Market LLC, to the extent that any securities of the Company are listed on those exchanges.

II. OVERVIEW OF "MATERIAL INFORMATION" AND "GENERALLY DISCLOSED"

Under applicable securities laws and exchange rules, "Material Information" includes "material facts" and "material changes" (as such terms are defined under applicable securities laws and exchange rules) and generally includes any fact, information or change relating to an issuer that would reasonably be expected to have a significant effect (either positive or negative) on the market price or value of the issuer's securities. Under U.S. securities laws, a fact is material (and therefore "Material Information") if there is a substantial likelihood that disclosure of the fact would be viewed by a reasonable investor as significantly altering the total mix of information made available.

In making judgments as to what information constitutes Material Information, it is necessary to take into account a number of factors, including the nature of the information itself, what other information is publicly available, the volatility of the Company's securities, and prevailing marketing conditions.

The following is a list of non-exhaustive examples of the types of events or information that may be material to the Company:

- preliminary or final earnings information, financial results, financial forecasts and budgets, including any significant or unexpected changes or results, significant increases or decreases in near-term earnings prospects, or internally developed financial projections;
- possible reorganizations, amalgamations or mergers, acquisitions, tender offers, proxy fights or threatened proxy fights, changes in control, changes in share ownership that may affect control of the Company, joint ventures, investments in other companies, other purchases and sales of companies or assets, and any transactions that may otherwise affect control of the Company;
- major litigation or regulatory developments;
- major changes in the business or operations of the Company, including any changes in corporate objective or major disputes with labor forces, contractors or suppliers;
- development of major, new products and developments affecting the Company's resources, technology, products or market;
- the entering into, amendment, termination or loss of important contracts;
- changes in relationships with significant customers, suppliers or DIRTT distribution partners;
- major financing developments, including borrowing of a significant amount of funds and events that create, accelerate or increase financial obligations, whether direct or off-balance sheet;

- major personnel changes, particularly departures or elections of directors or executive officers;
- a significant cybersecurity incident, such as a data breach that harms the Company, its suppliers, its distribution partners or customers;
- impending bankruptcy or financial liquidity problems;
- changes in auditors or notification that an audit report can no longer be relied upon;
- de-listing of the Company's securities or movement from one exchange to another;
- events regarding the rights of security holders, such as:
    - defaults on senior securities (such as bank debt or publicly held notes);
    - calls of securities for redemption;
    - repurchase programs;
    - changes in capital structure;
    - share consolidation, share splits, share exchanges or changes in dividends; and
    - public or private sales of additional securities.

Material Information is considered to be "Undisclosed Material Information" (i.e., not public and subject to Selective Disclosure Rules) unless it has been effectively disclosed to the public. Examples of public disclosure include the dissemination of the full text of the Company's press releases distributed through widely-circulated news or wire service and public filings with the applicable securities commissions or similar regulatory authorities in Canada through the System for Electronic Document Analysis and Retrieval ("SEDAR") and the United States Securities and Exchange Commission (the "SEC") through the Electronic Data Gathering, Analysis, and Retrieval database ("EDGAR").

For information to be considered public, it must not only be disclosed publicly, but adequate time must have passed for the market as a whole to assess the information. Although timing may vary depending upon the circumstances, it is safe for you to assume that information is not considered public until the passage of two full trading days after the Company publicly discloses it.

III. OVERVIEW OF SELECTIVE DISCLOSURE RULES

Prohibited Disclosures

Subject to the exceptions listed below, Selective Disclosure Rules prohibit selective disclosure of Undisclosed Material Information to the following persons and entities ("Restricted Persons"):

- broker-dealers and persons associated with them, including investment analysts;
- investment advisers and institutional investment managers, and persons associated with them;
- investment companies and hedge funds, and persons affiliated with them; and
- holders of the Company's securities under circumstances in which it is reasonably foreseeable that the holders may trade on the basis of the Undisclosed Material Information.

Exceptions

- Selective Disclosure Rules do not prohibit the following disclosures of Undisclosed Material Information, even if selective and even if to a Restricted Person, so long as such disclosures are made "in the necessary course of business" (the "Exception") of the Company:
- disclosures to persons who owe a duty of trust or confidence to the Company (such as attorneys, investment bankers, or accountants);
- disclosures to persons who expressly agree to maintain the disclosed information in confidence, including parties to negotiations;
- communications with the press or news organizations for public dissemination of information;

- disclosures to ratings agencies (if they are not Restricted Persons, or if they have agreed to maintain the disclosed information in confidence) for the purpose of assisting the agency to formulate a credit rating and the agency ratings generally are or will be publicly available;
- disclosures to government agencies and non-governmental regulators;
- disclosures to labor unions;
- disclosures in connection with certain offerings of the Company's securities; and
- disclosures to directors, officers and employees of the Company (each of whom are nonetheless subject to insider trading laws and the Company's Insider Trading Policy).

In addition, Selective Disclosure Rules normally will not apply to ordinary business communications with customers, suppliers, or strategic partners on issues such as research and development, sales and marketing and supply contracts or to communications with the Company's shareholders regarding shareholder accounts, corporate governance matters, and other shareholder or administrative matters. Nevertheless, because of the broad reach of insider trading laws, Material Information should be shared only to those with a "need to know" and in circumstances where the recipient will not trade on the information.

IV. COMPLIANCE GUIDELINES

Authorized Spokespersons

As a general rule, the following individuals (the "Authorized Spokespersons") are the only persons authorized to communicate with Restricted Persons on behalf of the Company:

- The Chairman of the Board and the Chief Executive Officer;
- The Chief Financial Officer; and
- Any other person who may be designated from time to time as the officer or person in charge of Investor Relations.

The Company's other employees and Board members are generally not authorized to communicate any Undisclosed Material Information about the Company. Nevertheless, in certain circumstances, an Authorized Spokesperson may authorize Board members, employees, or other representatives of the Company to communicate with Restricted Persons on behalf of the Company. The authorization must be provided in advance of any such communication, and the authorized individual must have previously received or be provided with appropriate training on compliance with this policy. In such circumstances, the authorized individual will be deemed to be an Authorized Spokesperson to the extent of the authorization granted. Any inquiries from Restricted Persons received by anyone other than an Authorized Spokesperson regarding Material Information on the business or affairs of the Company should be forwarded to an Authorized Spokesperson.

Guidance

Authorized Spokespersons may participate in group meetings, one-on-one meetings, and private telephone calls with Restricted Persons to receive input and feedback from such persons and to discuss publicly-available factual information about the Company's business, performance, strategies, governance, and similar matters.

Unless an Exception applies or unless the Material Information has been generally publicly disclosed in compliance with this policy, Authorized Spokespersons may not:

- provide new financial guidance in any form (including soft or indirect guidance);
- confirm that the Company's previously disclosed financial guidance is still the Company's expectation more than one week after the Company's last public disclosure or public confirmation of the guidance;
- provide comfort about or suggest or signal adjustments to the estimates of an analyst or other Restricted Person; or
- elaborate in a material way upon, or otherwise provide new Material Information beyond, the Company's previous public disclosures.

In addition, unless an Exception applies or unless the Material Information is publicly disclosed in compliance with this policy, Authorized Spokespersons will observe a period during which the Company will not engage in any discussions with Restricted Persons about its guidance for or financial results of any fiscal period for which completed financial results have not generally been made public (the "Quiet Period"). The Quiet Period will generally begin on the first day of each calendar quarter and continue until the public release of the Company's financial results for the previous quarter, unless the General Counsel authorizes a different period or an exception.

Nevertheless, Authorized Spokespersons may identify at any time (including during the Quiet Period) where previous Company disclosures may be found if the Authorized Spokespersons state that the prior disclosure (including any prior estimate or forecast) was as of the date it was given and is not being updated and if the Authorized Spokespersons do not suggest or signal adjustments to estimates of an analyst or other Restricted Person or to the Company's prior disclosures.

The General Counsel may also pre-approve certain deviations from or exceptions to the policies and procedures outlined in this Policy so long as they comply with applicable securities laws and exchange rules.

Analyst Reports

Unless an Exception applies, no Company employee or Board member should distribute, provide links to, or refer to selected analysts' reports to anyone outside the Company. This is consistent with the Company's intention not to adopt any particular analyst report. Analyst reports, earnings models, and similar materials may be reviewed only to correct factual errors that can be corrected by reference to publicly available, historical, factual information or to correct mathematical errors. No other feedback regarding the accuracy of analyst reports, assumptions, models, predictions, or similar information may be provided to an analyst.

Methods and Timing for Broad Dissemination of Material Information

Intentional Disclosures. If the Company determines it is necessary or advisable to disclose Undisclosed Material Information, the Material Information must be publicly disclosed before or at the same time as it is disclosed to Restricted Persons. The Company may provide public disclosure through the Company's press releases, public filings with the applicable Canadian securities commissions or similar regulatory authorities through SEDAR and the SEC through EDGAR, or otherwise in accordance with applicable securities laws and exchange rules in effect at that time that are reasonably designed to provide broad, non-exclusionary dissemination of the information to the public.

The Company will generally hold quarterly investor conference calls open to the public in listen-only mode. The Company will provide advance public notice of the conference calls via the issuance of a press release (and if required or advisable, filing with the applicable Canadian securities regulators and other similar regulatory authorities through SEDAR or the filing of a Form 8-K with the SEC through EDGAR). The notice will include the time and the date of the conference call and instructions on how to access the call. In general, the Company will not disclose Undisclosed Material Information by conference call or similar means, but if it chooses to do so, the press release will also include a summary of the Material Information to be disclosed. All interested persons, including Restricted Persons at the discretion of the Company, may listen to the conference call through Internet webcasting or other telecommunication. The call, including any question-and-answer period, will be posted on the Company's website and maintained there for a period of twelve months or such other period as the General Counsel may determine.

Under this policy, the Company will not use social media for an initial public disclosure, although social media may be used to direct persons to the public announcement of information.

Inadvertent Disclosures. If an Authorized Spokesperson inadvertently discloses Material Information to any Restricted Person, immediate steps must be taken to ensure that public disclosure of the Undisclosed Material Information is made, including contacting the relevant stock exchanges and requesting that trading be halted pending the issuance of a news release. Public

disclosure of the Undisclosed Material Information must be made as soon as reasonably practicable, but in any event by the earlier of: (i) 24 hours after the inadvertent disclosure, (ii) the commencement of the next day's trading on the New York Stock Exchange[1] , or (iii) 24 hours from the time that a trading halt is imposed by the relevant stock exchange after Company notification (unless otherwise directed by the appropriate regulatory authority or exchange). If any employee or Board member of the Company believes that Material Information about the Company may have been improperly disclosed, that individual should contact the General Counsel immediately.

V. VIOLATIONS

Violations of Selective Disclosure Rules may be subject to enforcement action by applicable Canadian securities commissions or similar regulatory authorities in Canada and the SEC. Any individual who violates this policy may also be subject to disciplinary action up to and including termination of service.

VI. FURTHER INFORMATION

All questions about this policy should be directed to the General Counsel, who is responsible for the interpretation of this policy. References in this policy to the General Counsel mean the General Counsel or the General Counsel's designee.

VII. POSTING REQUIREMENT

The Company will communicate this policy by posting a copy on the Company's internal website or otherwise distributing it to employees and Board members.

[1] Section 101(d) of Regulation FD specifically references the New York Stock Exchange, so the Company should look to the start of trading on the New York Stock Exchange irrespective of the exchange on which the Company may be listed.