

GABRIELLA'S KITCHEN INC.
(the "Company")

Conflict of Interest Policy and Annual Declaration

The purpose of this policy is to define policies with regard to conflicts of interest, in a manner consistent with encouraging the highest ethical standards consistent with the belief that directors should not receive benefits by virtue of their position and board service.

1. Covered Persons

This policy shall apply to all directors, officers, employees and other persons who are acting on behalf of the Company whether or not such persons are remunerated.

2. Definition of Conflict

A conflict of interest is a situation where a reasonable person would consider a covered person to have an interest that may conflict with the covered person's ability to act in good faith and in the best interest of the Company.

Conflicts of interest arise whenever the financial or personal interests of a covered person are, or appear to be, inconsistent or at odds with the interests of the Company. An appearance of a conflict of interest exists when it is reasonably likely that an observer may perceive a conflict of interest.

A conflict of interest exists when a covered person has an existing or potential interest in any entity, transaction or arrangement in which the Company also has an existing or potential interest, or when a covered person will derive a financial or other benefit directly or indirectly from the Company.

3. Financial and Business Transactions

Covered persons shall avoid financial transactions between themselves and the Company, themselves and a third party, or the Company and a third party that may adversely affect the performance of their duties. This includes transactions involving entities of which a covered person is a director, officer, committee member or key employee or has a substantial financial interest through ownership or control. The Company defines substantial financial interest as ownership interests of 5% or greater or any other substantial financial interest in any general partnership, limited partnership, limited liability company or similar type of business entity.

It is not the intent of this Policy to prevent a covered person from investing in publicly traded securities of issuers in which the Company has an interest or with which the Company does business. This Policy also is not meant to preclude a covered person from holding other equities or debt instruments which could not be expected to adversely affect the performance of his or her duties because of their relative size, the nature of the covered person's duties, or the insignificant nature of the relationship of the Company with the issuer. Special caution shall be taken in the timing of purchases

and sales of securities, however, and a covered person whose duties involve the investment operations of the Company shall avoid purchases and sales of securities that may be interpreted as attempting to profit from special knowledge of the Company's investment operations or other confidential information obtained by reason of their duties. Any Company transaction takes precedence over any covered person's transaction.

Covered persons shall avoid investing in any property in which the Company has, or to their knowledge is considering, an investment. A covered person shall use special caution to avoid purchases and sales of any property that may be interpreted as attempting to profit from special knowledge of the Company's investment operations or other confidential information obtained by reason of the covered person's duties.

4. Other Interests

Covered persons shall avoid outside directorships, officerships, partnerships, employment and other business involvement and investments that may adversely affect the performance of their duties with the Company.

Covered persons shall avoid receipt of benefits or favours, or gifts or entertainment that may influence the performance of their duties with the Company.

Covered persons shall avoid promoting their personal interests by reason of their connection with the Company.

In the course of their duties, covered persons may receive confidential information concerning the Company, its administration, financial transactions, or other. Such information shall be used only for Company purposes and shall not be disclosed to any third parties.

5. Requirement to Disclose and Report

A covered person must make a timely and full disclosure in any situation where they have a conflict of interest or an appearance of a conflict of interest.

Covered persons have a duty to report suspected violations of this policy to the Chair of the Governance and Human Resources Committee. Reports of suspected violations shall be addressed to the Chair of the Governance and Human Resources Committee and delivered to the Secretary of the Board in a sealed confidential envelope.

6. Failure to Disclose Conflict and Remedies

If the Board or a Committee has reasonable cause to believe that a covered person has failed to disclose an actual or possible conflict of interest, it shall inform the Chair of the Governance and Nominating Committee and such covered person of the basis for such belief.

The Governance and Human Resources Committee shall afford such covered person an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted by the circumstances, the Governance and Human Resources Committee determines that such covered person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate action which may include recommendation to the Board for removal from the Board or termination of employment, as appropriate, as well as reconsideration of whether the transaction or arrangement was in the best interests of and fair and reasonable to the Company at the time it was undertaken.

If it is determined that the transaction was not fair and reasonable to the Company, the Company, in its discretion, may void the contract and/or require such covered person to restore the Company to the financial position it would have been in if such covered person had been acting in compliance with this policy. Where the latter remedy is employed, such covered person shall be required to make payments of cash or property to the Company in amounts equal to the value of the excess benefit he or she received plus interest. Any covered person who violates this Policy also may be liable for any penalties or taxes imposed under federal, provincial or other regulations.

7. Administration of the Policy

The Governance and Human Resources Committee of the Board shall be responsible for the administration of the Policy. The Governance and Human Resources Committee shall review disclosure reports, receive questions about the application of the Policy from covered persons and provide guidance and instructions in those matters. The Governance and Human Resources Committee shall receive reports of suspected violations and make appropriate recommendations to the Board. The Governance and Human Resources Committee shall have the ability to retain outside experts as appropriate to ensure that a proposed transaction where a conflict of interest exists does not constitute an act of self-dealing. When a conflict of interest is reported prior to and in regard to a particular transaction, the Governance and Human Resources Committee shall make the determination whether and when that transaction may proceed. The Governance and Human Resources Committee shall review the Policy annually to ensure its continued appropriateness and applicability and report to the Company Board on any recommendations.

The interpretation of this policy is one of caution and conservatism. While primary reliance is placed on the good judgment and integrity of covered persons, they are expected to err on the side of strict adherence to this policy.

Directors and officers shall make disclosures and refer questions to the Chair of the Governance and Human Resources Committee. Other employees and those acting on behalf of the Company shall make disclosures and refer questions to the Chairman of the Board and Chief Executive Officer.

Whenever a covered person determines that a conflict of interest or an appearance of a conflict of interest exists, or is in doubt about the appropriate application of this policy, the covered person shall report in writing the facts and circumstances of the matter to

the Chair of the Governance and Human Resources Committee or the Chairman of the Board and Chief Executive Officer as appropriate, and shall govern themselves in accordance with the instructions received. Except as otherwise directed by those instructions, the covered person shall not participate in any discussion or decision relating to such matter.

In the event a conflict of interest or an appearance of a conflict involving a covered person arises, then unless and until such covered person receives contrary instructions from the Chair of the Governance and Human Resources Committee or from the Chairman and Chief Executive Officer as appropriate the following procedures shall apply:

- The covered person shall not participate in any formal or informal discussion of, any decision or vote on, or attempt to exert influence over the contract, relationship, person or organization with respect to which the conflict or appearance of a conflict may relate. Such a covered person who is a director may be counted to establish a quorum for meetings.
- Unless invited to answer questions or participate in discussions, the covered person shall temporarily recuse himself/herself from meetings in order to allow the remaining persons or members of the Board or Committee to engage in a full discussion regarding the contract, relationship, individual or organization in question. If the covered person is a director and a vote is taken, then such director shall abstain from voting and the minutes of the Committee or the Board meeting shall record this fact.

Annually, the Governance and Human Resources Committee shall require directors, officers, and other employees designated by the Chairman of the Board and Chief Executive Officer to complete the annual declaration.

This Policy is in addition to any other duties and responsibilities imposed on covered persons by applicable law or regulation.

8. Documentation of Conflicts

The minutes of any meeting at which a transaction involving a conflict of interest or an appearance of a conflict of interest is considered shall reflect that:

- The covered person made disclosure, withdrew from consideration of the transaction or recused him/herself from the meeting room and abstained from voting; or
- The covered person made disclosure but continued to participate pursuant to written instructions from the Chair of the Governance and Human Resources Committee or from the Chairman of the Board and Chief Executive Officer, as appropriate, where those instructions shall be included with the minutes.

9. Examples of Conflicts

The following activities illustrate types of potential or actual conflicts of interest that should be avoided and disclosed, as applicable, in accordance with this policy. The list is not all inclusive and is intended to provide guidance.

- *Self-benefit*: Using your position or relationship within the Company to promote your own interests, including using confidential or privileged information gained in the course of involvement with the Company for personal benefit or gain.
- *Influence peddling*: Soliciting benefits for yourself from outside organizations or individuals in exchange for using your influence to advance the interests of that organization or individual within the Company.
- *Other business relationships and dealings*: Approving contracts with organizations or individuals in which you have a significant financial or other interest or relationship, particularly if you are in a position to influence major decisions, are responsible for review, negotiation and approval of the grants or contracts, or otherwise direct the Company's business dealings with that organization or individual.
- *Dealings with grantees*: Personally accepting anything of value from organizations or individuals that have proposals pending before the Company or have received proposals from the Company.
- *Property transactions*: Directly or indirectly leasing, renting, trading, or selling real or personal property to or from the Company.

10. Annual Declaration

The Company requires each board member and officer, and employees designated by the Chairman of the Board and Chief Executive Officer, to annually review the Policy and acknowledge by his or her signature that he or she is acting in accordance with the letter and spirit of the Policy.

The information provided on this form shall be available for inspection by members of the Board, but shall otherwise be held in confidence except when, after consultation with the applicable board member, officer, or employee, the Board determines that Company's best interest would be served by disclosure.

ANNUAL DECLARATION OF CONFLICT OF INTEREST POLICY

To be signed and returned to the Chief Financial Officer of the Company

I, _____, acknowledge that I have received and read a copy of the Conflict of Interest Policy. I understand that it is my responsibility to be familiar with the contents of the policy, and I am acting in accordance with the letter of spirit of the policy.

I understand that I should approach the Chairman of the Board and Chief Executive Officer if I have any questions about the policy generally or any questions about reporting a suspected conflict of interest.

Signature _____

Name _____

Date _____