

# CODE OF BUSINESS CONDUCT AND ETHICS



(THE "COMPANY")

## **GENERAL**

The purpose of the Code of Business Conduct and Ethics (the "**Code**") is to assist all Company personnel in making decisions regarding the affairs of the Company (including its subsidiaries). The Code states basic principles that should guide the affairs of the Company and deals with certain specific situations but is not comprehensive. Personnel are encouraged to consult with the Chair of the Company for direction on specific issues of conflicts or potential conflicts.

## **THE CODE**

The Company (including its subsidiaries) and its directors, officers, employees and consultants shall comply with the following obligations:

### *Basic Principles*

- Conduct the Company's business and affairs honestly and with integrity, using high ethical standards.

### *Accurate Financial Recording and Disclosure*

- Maintain records that accurately reflect the Company's operations. Financial statements shall be prepared in accordance with generally accepted accounting principles and applicable securities laws. The statements shall be prepared using the highest standards of integrity.

### *Compliance with Laws*

- Comply with the applicable laws of each jurisdiction in which the Company does business.

### *Obligations to Shareholders*

- Conduct the Company's affairs with a view to the best interests of the Company as a whole and to enhance shareholder value.

### *Conflict*

- Handle ethically any actual or apparent conflicts of interest between personal and professional relationships, including transactions and agreements in respect of which a director or officer has a material interest. All reasonable efforts will be used to avoid all situations that might reasonably be perceived to conflict or have the potential to conflict with their duties to the Company.

### *Stock Trading and Use of Material Information*

- Comply with the Company's Policy on Trading in Company Securities.

#### *Communications and Corporate Disclosure*

- Comply with the Company's Corporate Disclosure Policy.

#### *Respect and Tolerance*

- Not tolerate discrimination, intimidation or harassment on the basis of race, colour, age, gender, sexual orientation, marital status, physical or mental disability, national or ethnic origin or religious beliefs. Employees are entitled to work in an environment which is respectful of their dignity, rights, needs and individual differences.

#### *Environmental Standards*

- Conduct the Company's exploration, development and mining operations using environmental best practices with a goal to protecting human health, minimizing impact on the ecosystem and returning exploration and mining sites to a high environmental standard.

#### *Safety*

- Provide safe and healthy working conditions and comply with all occupational health and safety laws and regulations.

#### *Contribution to Local Communities*

- Conduct the Company's operations with a view to respecting and enhancing the economic and social situations of the communities in which the Company operates.

#### *Dealing with Public Officials*

- The Company will make no illegal payments of any kind, directly or indirectly, from corporate funds or assets. Even the appearance of impropriety in dealing with public officials is improper and unacceptable. Any participation, whether directly or indirectly, in any bribes, kickbacks, indirect contributions or similar payments is expressly forbidden, whether or not they might further the business interests of the Company.
- The use of company funds or assets for any unlawful or improper purpose is strictly prohibited and those responsible for the accounting and record-keeping functions are expected to be vigilant in ensuring enforcement of this prohibition.
- All dealings between employees of the Company and public officials are to be conducted in a manner that will not compromise the integrity or negatively impact the reputation of any public official or the Company, or its affiliates.

#### *Benefits Given*

- Modest gifts and reasonable entertainment may be received from business associates of the Company. No gift, favor or entertainment shall be of such a nature as might affect, or reasonably be perceived to affect, an employee's judgment or conduct in matters involving the Company. Employees should neither seek nor accept gifts, payments, services, fees, trips or accommodations, special valuable privileges, or loans from any person (except from persons in the business of lending and then on conventional terms) or from any organization or group that do, or is seeking to do, business with the Company or any of its affiliates, or from a competitor of the Company or any of its affiliates. However, occasionally there are special circumstances that may apply and, in such cases, permission must be obtained from the Chief Executive Officer or Chairman of the Company.
- Employees shall not furnish, directly or indirectly, on behalf of the Company, expensive gifts or provide excessive entertainment or benefits to other persons.
- Employees, whose duties permit them to do so, may furnish modest gifts, favours and entertainment where legally permitted and in accordance with local business

practices, to persons or entities doing business or seeking to do business with the Company, other than public officials, provided all of the following are met:

- (a) no gift or entertainment should be of such value as to constitute a real personal enrichment of the recipient or to be perceived as such;
- (b) they are not in cash, bonds or negotiable securities and are of limited value so as not to be liable of being interpreted as a bribe, payoff or other improper payment;
- (c) they are made as a matter of general and accepted business practice;
- (d) they do not contravene any law and are made in accordance with generally accepted ethical practices; and
- (e) if subsequently disclosed to the public, their provision would not in any way embarrass the Company or their recipients.

*Benefits Received*

- Not seek or receive gifts or other personal benefit from those doing or seeking to do business with the Company which might reasonably be perceived to have the ability to affect the recipient's judgement or conduct involving the Company. Any gifts or benefits received of a value higher than \$250 will be declared to the Company and recorded by the Corporate Secretary.

*Other Entities to be Ethical*

- Use reasonable efforts to ensure that the companies and individuals with which the Company does material business also observe high ethical standards.

*Compliance with the Code*

- It is the responsibility of all directors, officers, employees and consultants to be aware of their obligations under and to comply with this Code. All breaches of this Code shall immediately be reported to the Chair of the Corporate Governance Committee. All reports by an individual of violations will be kept confidential except if otherwise required by law. Individuals who breach the Code may be subject to disciplinary action including dismissal.