



## **CORPORATE GOVERNANCE MANUAL**

# Mako Mining Corp

## Corporate Governance Manual

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## **1. Charters**

### **1.1 Board of Directors**

#### **CHARTER OF THE BOARD OF DIRECTORS**

##### **PURPOSE**

The Company's board of directors (the "Board") is ultimately responsible for the stewardship and general supervision of the management of the business and affairs of the Company, and also to act in the best interests of the Company, its shareholder and other stakeholders. The Board will discharge its responsibilities directly and through its committees, currently consisting of an Audit Committee, a Corporate Governance and Nominating Committee, a Compensation Committee and a Technical Committee.

The Board shall meet at least quarterly to review the business, operations, corporate governance and financial results of the Company. Meetings of the Board shall include regular meetings with management to discuss specific aspects of the operations of the Company.

As required, the independent members of the Board shall meet regularly.

##### **COMPOSITION**

The Board shall be constituted at all times of a majority of individuals who are independent directors in accordance with Multilateral Instrument 58-201. As the rules may be revised, updated or replaced from time to time, the Board shall ensure that independence requirements are updated and met accordingly when required. A director is considered to be "independent" if he or she has no direct or indirect material relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment. Notwithstanding the foregoing, a director shall be considered to have a material relationship with the Company (and therefore shall be considered a "non-independent" director) if he or she falls in one of the categories listed in Schedule "A" attached hereto.

##### **RESPONSIBILITIES**

The Board's mandate is the stewardship of the Company and its responsibilities shall include, without limitation to its general mandate, the following specific responsibilities:

1. Appointing an "Independent Chairman" who will be responsible for the leadership of the Board and for specific functions to ensure the independence of the Board.
2. The assignment to Board committees of the general responsibility for developing the Company's approach to: (i) corporate governance issues and matters relating to the nomination of Board members; (ii) financial reporting and internal controls; (iii) issues

- relating to compensation of directors, officers and employees; and (iv) assessment and reporting obligations relating to technical matters concerning the Company, as well as health and safety, environmental and sustainability matters.
3. The formation of committees of the Board, from time to time, when it is deemed necessary and appropriate by the Board in order to discharge its duties.
  4. Succession planning, including the selection, appointment, monitoring, evaluation and, if necessary, the replacement of the Chief Executive Officer and other executives, to ensure that management succession is, to the extent possible, effected in a manner so as not to be disruptive to the Company's operations. The Board will, as part of this function, satisfy itself as to the integrity of the Chief Executive Officer and other executives and that such Chief Executive Officer and executives create and maintain a culture of integrity throughout the Company's organization.
  5. With the assistance of the Corporate Governance and Nominating Committee:
    - Developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines specific to the Company.
    - Reviewing the composition of the Board to ensure that it meets its independence criteria.
    - The assessment, at least annually, of the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including consideration of the appropriate size of the Board.
    - Ensuring that an appropriate selection process for new nominees to the Board is in place.
    - Ensuring that an appropriate orientation and education program for new recruits to the Board is in place.
    - Reviewing and approving the formal charters of the committees of the Board.
    - Approving and revising periodically the Company's Code of Conduct (the "Code") and other corporate governance policies ("Policies"), ensure management has established a system to enforce the Code and Policies and monitor compliance with each.
  6. With the assistance of the Audit Committee:
    - Ensuring the integrity of the Company's internal control and management information systems.
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- Ensuring the Company's ethical behaviour and compliance with laws and regulation, audit and accounting principles and the Company's own governing documents.
  - Selecting, appointing, determining the remuneration of and, if necessary, replacing the independent auditors.
  - Ensuring the independence of the auditors.
  - Identification of the principal risks of the Company's business and ensuring that appropriate systems are in place to manage these risks.
  - Reviewing and approving of significant operational and financial matters and the provision of direction to management on these matters.
  - Approving annual and interim financial statements of the Company together with the annual management's discussion and analysis, unless such approval is specifically delegated to the Audit Committee of the Board.
7. With the assistance of the Compensation Committee, establishing appropriate performance criteria for the senior management of the Company, approving the overall compensation of the senior management and the directors, and reviewing executive compensation disclosure before the Company publicly discloses such information.
  8. With the assistance of the Technical Committee, review and provide oversight of the technical disclosure for all of the Company's operations, projects and properties, and review and monitor health, safety and environmental risks of the Company to help ensure that the Company is in compliance with applicable legal and regulatory requirements related to health, safety and environmental matters and technical disclosure.
  9. With the assistance of the officer responsible for investor relations, monitoring and reviewing feedback provided by the Company's various stakeholders.
  10. Approving securities compliance policies, including communications policies of the Company and reviewing of these policies annually or periodically, as deemed necessary.
  11. Adopting a strategic planning process, approving and reviewing, on an annual basis, a strategic plan and budget that takes into account business opportunities and business risks identified by the Board or a committee of the Board and monitoring performance against plan.

12. Reviewing with senior management:
  - Corporate objectives and goals and expectations applicable to senior management personnel of the Company and monitoring realization of those objectives;
  - Major corporate decisions which require approval of the Board and approving such decisions as they arise;
  - Major capital expenditure decisions in excess of thresholds previously authorized in a budget or by resolution of the Board; and
  - Material decisions relating to senior personnel, major property acquisitions or divestments, major investments, and other decisions, where deemed appropriate.
13. Obtaining periodic reports from management on the Company's operations including, but without limitation, reports on security issues surrounding the Company's assets (property and employees) and the protection mechanism that management has in place.
14. Ensuring that this Charter is disclosed on a yearly basis to the shareholders in the Company's management information circular prepared for the annual and general meeting of shareholders or other disclosure document or on the Company's website, as required.
15. Performing such other functions as prescribed by law or assigned to the Board in the Company's constating documents.

#### **MISCELLANEOUS**

1. The members of the Board are expected to attend all meetings of Board unless prior notification of absence is provided.
2. The members of the Board are required to have reviewed board materials in advance of the meeting and be prepared to discuss such materials at the meeting, to actively participate in deliberations, and to take full responsibility for decisions of the Board.
3. Members of the Board will treat their fellow Board members with respect.
4. The members of the Board should endeavour to avoid conflicts between their own personal interests and those of the Company and, where conflicts exist, to fully disclose such conflicts to the Board and refrain from participating in decisions relating to the subject matter of such conflicts.



## **SCHEDULE “A”**

Subject to the exemptions available under Multilateral Instrument 52-101 Audit Committees, the following individuals are considered to have a material relationship with the Company:

- (a) an individual who is, or has been within the last three years, an employee or executive officer of the Company;
- (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Company;
- (c) an individual who:
  - (i) was within the last three years a partner or employee of that firm and personally worked on the Company’s audit within that time;
- (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
  - (i) is a partner of a firm that is the Company’s internal or external auditor;
  - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice; or
  - (iii) was within the last three years a partner or employee of that firm and personally worked on the Company’s audit within that time;
- (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Company’s current executive officers serves or served at the same time on the entity’s compensation committee; and
- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the Company received, more than \$75,000 in direct compensation from the Company during any 12 month period within the last three years, other than as remuneration for acting in his or her capacity as a member of the Board or any Board committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service for the Company if the compensation is not contingent in any way on continued service.



## **1.2 Audit Committee**

### **Audit Committee Charter**

#### **Mandate**

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors of the Company (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements.
- Review and appraise the performance of the Company’s external auditors.
- Provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board.

#### **Composition**

The Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be appointed by the Board at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

#### **Meetings**

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the CFO and the external auditors in separate sessions.





## **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by



the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

- (1) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - (2) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (3) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.
- (j) Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### **Financial Reporting Processes**

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.



- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

**Risk Management**

- (a) Review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
- (b) Inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
- (c) Request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
- (d) Assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

**Other**

Review any related-party transactions.



## **1.3 Corporate Governance and Nominating Committee**

### **CHARTER OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE**

#### **PURPOSE**

The purpose of this Charter is to outline the role of the Corporate Governance and Nominating Committee (the “Committee”) and the responsibilities assigned to it by the board of directors (the “Board”) of the Company. The main functions of the Committee are: to assist the Board in establishing and implementing corporate governance policies; to evaluate the composition of the Board and its committees and, if needed, to identify individuals qualified to serve as members of the Board and to recommend such individuals to the Board for appointment to it. The Committee shall also have all authority necessary to fulfill the duties and responsibilities assigned to the Committee in this Charter or otherwise assigned to it by the Board.

The responsibilities of the Committee are summarized below.

#### **COMPOSITION**

The Committee shall consist of not less than three Directors as determined and appointed by the Board. Unless otherwise approved by the Board, all members of the Committee shall qualify as independent directors as determined in accordance with securities laws and stock exchange or quotation service rules applicable to the Company from time to time. Generally, each member of the Committee must be free from any relationship that would interfere with the exercise of his or her independent judgment.

Any Committee member may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

The Board shall appoint a Chair of the Committee. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen to preside by a majority of the members of the Committee present at such meeting.

#### **MEETINGS**

The Committee shall hold such meetings as are necessary or appropriate in order for the Committee to fulfill its responsibilities. The Committee shall have the right to determine who shall, and who shall not, be present at any time during a meeting of the Committee in addition to the Committee members.



The Board shall be kept informed of the Committee's activities by a report from the Chair of the Committee to the Board at the next ensuing Board meeting following each Committee meeting.

## **RESPONSIBILITIES OF THE COMMITTEE**

The Committee's responsibilities shall include to:

1. Develop, periodically review and recommend to the Board, as appropriate, the Company's corporate governance principles and policies, and monitor their compliance and effectiveness, as appropriate.
2. Develop, periodically review and recommend appropriate revisions to any policies or codes of conduct or ethics adopted by the Board, including with respect to corporate disclosure, insider trading and other matters related to corporate governance.
3. Periodically review, approve and recommend to the Board appropriate criteria for evaluating potential nominees to the Board.
4. Determine procedures for review, approval and recommendation of director candidates, and advise the Board with respect to nominees for election or appointment to the Board.
5. Periodically review and revise, as appropriate, orientation and continuing education programs for directors.
6. Establish and coordinate with the Chairman of the Board and the Chair of each Committee, criteria and method for evaluating the functioning of the Board and its committees (including the Committee), including the relationship between the Board and the senior management of the Company, and, if necessary, make recommendations to the Board with respect to changes in the size and composition of the Board.
7. Make recommendations to the Board as appropriate, on number, type, functions, structure and independence of committees, and annually on appointments to its committees (including the Committee), including the appointment of a Chair of each committee.
8. Make recommendations to the Board with respect to amendments to the charter of each board committee.
9. Prepare an annual report on the Company's corporate governance policies and review and approve all other corporate governance disclosure contained in the Company's annual Information Circular and other disclosure materials.
10. Be available as a forum for addressing corporate governance and other concerns raised by individual members of the Board or management.
11. Annually review and assess the adequacy of this Charter and the functioning of the Committee and, if necessary, make recommendations to the Board as to proposed changes to this Charter.



12. Engage such outside advisors as the Committee considers necessary to advise and assist the Committee in discharging its responsibilities and approve the fees payable to such advisors.

The Committee may, in its sole discretion, delegate all or a portion of its responsibilities to a subcommittee made up members of the Committee.



## **1.4 Compensation Committee**

### **COMPENSATION COMMITTEE CHARTER**

#### **PURPOSE**

The purpose of this Charter is to outline the role of the Compensation Committee (the “Committee”) and the responsibilities assigned to it by the board of directors (the “Board”) of the Company. The main functions of the Committee are: to assist the Board in establishing and implementing compensation policies and practices and to review and recommend to the Board compensation policies, arrangements and agreements in respect of the CEO, other senior executives and the directors of the Company. The Committee shall also have all authority necessary to fulfill the duties and responsibilities assigned to the Committee in this Charter or otherwise assigned to it by the Board.

The responsibilities of the Committee are summarized below.

#### **COMPOSITION**

The Committee shall consist of not less than three Directors as determined and appointed by the Board. Unless otherwise approved by the Board, a majority of the members of the Committee shall qualify as independent directors as determined in accordance with securities laws and stock exchange or quotation service rules applicable to the Company from time to time. Generally, each member of the Committee must be free from any relationship that would interfere with the exercise of his or her independent judgment.

Any Committee member may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

The Board shall appoint a Chair of the Committee. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen to preside by a majority of the members of the Committee present at such meeting.

#### **MEETINGS**

The Committee shall hold such meetings as are necessary or appropriate in order for the Committee to fulfill its responsibilities. The Committee shall have the right to determine who shall, and who shall not, be present at any time during a meeting of the Committee in addition to the Committee members.



The Board shall be kept informed of the Committee's activities by a report from the Chair of the Committee to the Board at the next ensuing Board meeting following each Committee meeting.

## **RESPONSIBILITIES OF THE COMMITTEE**

The Committee's responsibilities shall include to:

1. Establish and annually review and approve and recommend to the Board, the Company's overall compensation strategy and policies for directors, officers and employees.
2. Review and make recommendations to the Board with respect to the goals and objectives relevant to the compensation of the Chief Executive Officer and other members of senior management of the Company and evaluate the performance of such individuals relative to such goals and objectives.
3. Make recommendations to the Board as to the compensation arrangements for the Chief Executive Officer and other members of senior management of the Company, including salaries, bonuses, stock options, expense accounts, allowances and all other forms of cash and non-cash compensation.
4. Review and make recommendations to the Board with respect to any new pension or other benefit plans and approve changes to existing pension and other benefit plans that would significantly change the terms of the plan or would result in significant additional cost to the Company.
5. Review and make recommendations to the Board with respect to any proposed new stock options to be granted, the form of the stock option plan or other long term incentive plans and changes to existing stock option and other long term incentive plans.
6. Review and make recommendations to the Board with respect to employment contracts and other financial arrangements between the Company and senior management of the Company.
7. Approve severance and other termination settlement payments paid to members of senior management of the Company.
8. Participate in succession planning with respect to the Chief Executive Officer and other members of senior management of the Company, including making recommendations as to candidates for appointment as officers of the Company.





9. Review and make recommendations to the Board as to compensation arrangements for Directors, including director's fees, stock options, allowances and other forms of cash and non-cash compensation.
10. Prepare an annual report on executive compensation and review and approve all other executive compensation disclosure contained in the Company's annual Information Circular and other disclosure materials.
11. Annually review and assess the adequacy of this Charter and the functioning of the Committee and, if necessary, make recommendations to the Board as to proposed changes to this Charter.
12. Engage such outside advisors as the Committee considers necessary to advise and assist the Committee in discharging its responsibilities and approve the fees payable to such advisors.

The Committee may, in its sole discretion, delegate all or a portion of its responsibilities to a subcommittee made up members of the Committee.

## **1.5 Technical Committee**

### **TECHNICAL COMMITTEE CHARTER**

#### **PURPOSE**

The technical committee (the "Technical Committee") of the board of directors (the "Board") of the Company is appointed by the Board to assist the Company and the Board in fulfilling their respective obligations relating to technical matters concerning the Company.

The Technical Committee shall advise and make recommendations to the Board in its oversight role with respect to the Company's technical information, as well as health and safety, and environmental and sustainability matters. Building upon international best practices for exploration and mining, the Technical Committee will assist the Board with respect to:

- reviewing and/or providing oversight of the estimation and disclosure of mineral resources at all of the Company's operations, projects and properties;
- monitoring and reviewing health, safety, and environmental risks;
- ensuring the Company's compliance with applicable legal and regulatory requirements associated with health, safety and environmental matters and technical disclosure;
- supporting the Company's commitment to adopt 'best practices' in mining operations, promotion of a healthy and safe work environment, and environmentally sound and socially responsible resource development.

#### **COMPOSITION**

1. The Technical Committee shall be composed of three or more directors as designated by the Board from time to time.
2. The Chair of the Technical Committee (the "Chair") shall be designated by the Board or the Technical Committee from among the members of the Technical Committee.
3. The composition of the Technical Committee shall comply with all applicable securities laws, instruments, rules and policies and regulatory requirements (collectively "Applicable Laws"). A majority of the members of the Technical Committee shall be independent within the meaning of National Instrument 52-110 – *Audit Committees*.
4. Each member of the Technical Committee shall be appointed by, and serve at the pleasure of, the Board. Each member shall serve until: he or she resigns; his or her successor is duly appointed; or such member is removed from the Technical



Committee by the Board. The Board may fill vacancies in the Technical Committee by appointment from among the Board.

## MEETINGS

5. The Technical Committee shall meet as frequently as the Technical Committee considers necessary. The Technical Committee shall meet otherwise at the discretion of the Chair or a majority of the members of the Technical Committee, or as may be required by Applicable Laws.
6. A majority of the members of the Technical Committee shall constitute a quorum.
7. The Technical Committee shall hold an *in-camera* session without any executive officers of the Company present at each meeting of the Technical Committee, unless such a session is not considered necessary by the members present.
8. The time and place at which meetings of the Technical Committee are to be held, and the procedures at such meetings, will be determined from time to time by the Chair. A meeting of the Technical Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other electronic communication at least 48 hours prior to the time of the meeting; however, no notice of a meeting shall be necessary if all of the members are present either in person or by means of telephone or web conference, or other communication equipment, or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
9. Members may participate in a meeting of the Technical Committee by means of telephone or web conference, or other communication equipment which allows all of the members to hear each other.
10. The Technical Committee shall keep minutes of all meetings, which shall be available for review by the Board.
11. The Technical Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
12. The Technical Committee may invite such other directors, executive officers and employees of the Company and such other advisors and persons as is considered advisable to attend any meeting of the Technical Committee.
13. The affirmative vote of a majority of members of the Technical Committee participating in any meeting of the Technical Committee shall be sufficient for the adoption of any resolution. Any action of the Technical Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Technical Committee (including in counterparts, by facsimile or other electronic

signature) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Technical Committee called for such purpose.

14. The Technical Committee shall report its determinations and recommendations to the Board.

## **RESOURCES AND AUTHORITY**

15. The Technical Committee has the authority to:
- (a) engage, at the expense of the Company, independent counsel and other experts or advisors as is considered necessary to permit it to carry out its duties;
  - (b) determine the compensation to be paid to any independent counsel and other experts and advisors retained by the Technical Committee;
  - (c) conduct any investigation considered appropriate by the Technical Committee; and
  - (d) request any executive officer or other employee of, or outside counsel for, the Company, to attend any meeting of the Technical Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Technical Committee as is considered necessary to permit it to carry out its duties.

## **RESPONSIBILITIES AND DUTIES**

### ***TECHNICAL***

16. The Technical Committee is responsible for:
- (a) Overseeing and reviewing the appointment of the designated qualified person (the “Qualified Person”) as such term is defined by the applicable securities laws and regulations for estimating the Company’s Mineral Resources and Mineral Reserves (including National Instrument 43-101 Standards of Disclosure for Mineral Projects and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, as amended from time to time), and other scientific and technical information that is disclosed to the public;
  - (b) prior to its publication, reviewing Mineral Resources or Mineral Reserves estimates and any report of the Qualified Person thereon. In carrying out such review, inquire as to restrictions or interference that could have affected or

influenced the objectivity of the Qualified Person to report on Mineral Resources or Mineral Reserves information;

- (c) overseeing risk and related mitigation with respect to Mineral Resources or Mineral Reserves estimation and disclosure;
- (d) reviewing any reports from management from time to time on all material matters relating to Mineral Resources or Mineral Reserves estimation, including technical reports under NI 43- 101, and related to environmental, sustainability, health and safety; and
- (e) reviewing such other scientific or technical matters as the Committee considers advisable or the Board may specifically direct the Committee to review or consider.

### ***PROJECTS***

17. The Technical Committee is responsible for:

- (a) evaluating mining, processing, projects and construction merits of proposed investments and opportunities;
- (b) reviewing and assessing the risks of proposed projects;
- (c) reviewing the estimated schedule and costs of proposed project;
- (d) monitoring and reviewing the execution of projects; and
- (e) reviewing such other project related matters as the Technical Committee considers advisable or the Board may specifically direct the Technical Committee to review or consider.

### ***EXPLORATION***

18. The Technical Committee is responsible for:

- (a) reviewing exploration plans and programs; and
- (b) monitoring the execution of exploration activities.

### ***OTHER RESPONSIBILITIES***

19. The members of the Technical Committee should make periodic visits to project sites and operational facilities, as considered appropriate, in order to become familiar with the nature of the operations of the Company, and to review relevant objectives,

procedures and performance with respect to health and safety and environmental and sustainability matters and primary areas of risks and impacts.

20. The Technical Committee should review and assess the adequacy of this mandate from time to time and submit any proposed amendments to the Board for consideration.
21. The Technical Committee should perform any other activities consistent with this mandate and applicable laws and regulations as the Technical Committee or the Board considers advisable.



## **2. Position Descriptions**

### **2.1 Chairman of the Board of Directors**

#### **POSITION DESCRIPTION FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS**

##### **I. Purpose**

The Chairman of the Board of Directors (the “Board”) the Company shall be an independent director of the Company who is designated by the Board to act as the leader of the Board.

##### **II. Who may be Chairman**

The Chairman will be selected amongst the independent directors of the Company who have a sufficient level of corporate and governance experience to ensure the leadership and effectiveness of the Board.

The Chairman will be selected annually at the first meeting of the Board following the annual meeting of shareholders.

##### **III. Responsibilities**

The following are the responsibilities of the Chairman. The Chairman may delegate or share, where appropriate, certain of these responsibilities with the Corporate Governance and Nominating Committee and/or any other independent committee of the Board:

- Chairing all meetings of the Board in a manner that promotes meaningful discussion.
- Providing leadership to the Board to enhance the Board’s effectiveness, including:
  - ✓ Ensuring that the responsibilities of the Board are well understood by both management and the members of the Board;
  - ✓ Ensuring that the Board works as a cohesive team with open communication;
  - ✓ Ensuring that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
  - ✓ Together with the Corporate Governance and Nominating Committee, ensuring that a process is in place by which the effectiveness of the Board and its committees (including size and composition) is assessed at least annually; and

- ✓ Together with the Corporate Governance and Nominating Committee, ensuring that a process is in place by which the contribution of individual directors to the effectiveness of the Board is assessed at least annually.
- **Managing the Board, including:**
  - ✓ Working with management in preparing the agenda of the Board meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
  - ✓ Adopting procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
  - ✓ Ensuring meetings are appropriate in terms of frequency, length and content;
  - ✓ Ensuring that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;
  - ✓ Ensuring that a succession planning process is in place to appoint senior members of management when necessary; and
  - ✓ Working with the Corporate Governance and Nominating Committee and approaching potential candidates, when such are identified, to consider their interest in joining the Board.
- Acting as liaison between the Board and management, and in particular the CEO of the Company, to ensure that relationships between the Board and management are conducted in a professional and constructive manner. This involves working with the Corporate Governance and Nominating Committee to ensure that the Company is building a culture of integrity and good governance.
- At the request of the Board, representing the Company to external groups such as shareholders and other stakeholders, including community groups and governments.



## **2.2 Chief Executive Officer**

### **ROLE STATEMENT OF THE CHIEF EXECUTIVE OFFICER**

The primary role of the Chief Executive Officer (the “CEO”) of the Company is to manage the Company in an effective, efficient and forward-looking way and to fulfil the priorities, goals and objectives determined by the Board of Directors of the Company (the “Board”) in the context of the Company’s strategic plans, budgets and responsibilities set out below, with a view to increasing shareholder value. The CEO is responsible to the Board.

Without limitation to the foregoing, the CEO is responsible for the following:

1. Maintaining and developing the Company’s goal of enhancing shareholder value by being a successful and profitable exploration, development and mining company.
2. Maintaining and developing with the Board strategic plans for the Company and successfully implementing such plans.
3. Providing quality leadership to the Company’s staff and ensuring that the Company’s human resources are managed properly.
4. Providing high-level policy options, orientations and discussions for consideration by the Board.
5. Maintaining existing and developing new strategic alliances and considering possible merger or acquisition transactions with other mining companies, which will be constructive for the Company’s business and will help enhance shareholder value, if and as appropriate.
6. Providing support, co-ordination and guidance to various responsible officers and managers of the Company.
7. Ensuring communications between the Company and major stakeholders, including and most importantly, the Company’s shareholders, are managed in an optimum way and are done in accordance with applicable securities laws.
8. Providing timely strategic, operational and reporting information to the Board and implementing its decisions in accordance with good governance, within the Company’s policies and procedures, and within budget.
9. Acting as an entrepreneur and innovator within the strategic goals of the Company.



10. Co-ordinating the preparation of an annual business plan.
11. Ensuring appropriate governance skills development and resources are made available to the Board.
12. Complying at all times with laws and the Company's Codes of Business Conduct and Ethics and ensuring a culture of high ethics throughout the organization.

### **3. Policies**

#### **3.1. Code of Business Conduct and Ethics**

##### **CODE OF BUSINESS CONDUCT AND ETHICS (the “Code”)**

###### **PURPOSE OF THIS CODE**

This Code sets out standards of behaviour and assists all Company personnel in making decisions regarding the affairs of the Company. The Code states basic principles that should guide the affairs of the Company and while the Code deals with certain specific situations it is not intended to be comprehensive of all situations that may impact the Company or its personnel. To ensure a proper understanding of this Code, and any questions as to its application, personnel are encouraged to consult with the Chief Executive Officer of the Company or the Chief Financial Officer of the Company for direction on specific issues, conflicts or potential conflicts. References herein to the Company include any subsidiaries and/or affiliates of the Company.

The purpose of this Code is to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- promote avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company or its subsidiaries, files with, or submits to, the securities regulators and in other public communications made by the Company;
- promote compliance with applicable governmental laws, rules and regulations;
- promote the prompt internal reporting to an appropriate person of violations of this Code;
- promote accountability for adherence to this Code;
- provide guidance to employees, officers and directors to help them recognize and deal with ethical issues; and
- foster the development of a culture of honesty and accountability within the Company.

Violations of this Code by an employee, officer or director are grounds for disciplinary action up to and including, without limitation, immediate termination of employment or request for resignation of a directorship.



## **THE CODE**

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

### **1. BASIC PRINCIPLES**

All Company personnel are expected to conduct the Company's business and affairs honestly and with integrity, using high ethical standards and are expected to maintain and enhance the Company's standing as a dynamic and ethical member of the business community, and are therefore accountable for compliance with this Code.

### **2. WORKPLACE**

#### **(a) Nondiscriminatory Environment**

The Company fosters a work environment in which all individuals are treated with respect and dignity. The Company is an equal opportunity employer and does not, and does not permit its employees or directors to, discriminate against employees, officers, directors or potential employees, officers or directors on the basis of race, color, religion, sex, national origin, age, sexual orientation, disability or any other category protected by Canadian federal or provincial laws and regulations and, in addition, in accordance with the laws or regulations applicable in the jurisdiction where such employees, officers or directors are located. The Company is committed to actions and policies to assure fair employment, including equal treatment in hiring, promotion, training, compensation, termination and corrective action and will not tolerate discrimination by its employees and agents. All acts which are discriminatory in nature are to be reported to a supervisor immediately.

#### **(b) Harassment-Free Workplace**

The Company will not tolerate harassment of its employees, customers or suppliers in any form. All acts of harassment are to be reported to a supervisor immediately or in accordance with the Company's Workplace Bullying and Harassment Policy or the Company's Whistleblower Policy, where appropriate.

#### **(c) Sexual Harassment**

Sexual harassment is illegal and all employees, officers and directors are prohibited from engaging in any form of sexually harassing behavior. Sexual harassment means unwelcome sexual conduct, either visual, verbal or physical, and may include, but is not limited to, unwanted sexual advances, unwanted touching and suggestive touching, language of a sexual nature, telling sexual jokes, innuendoes, suggestions, suggestive looks and displaying sexually suggestive visual materials. All acts of sexual harassment are to be reported to a supervisor immediately or in accordance with the Company's Workplace Bullying and Harassment Policy or the Company's Whistleblower Policy, where appropriate.



**(d) Substance Abuse**

The Company is committed to maintaining a safe and healthy work environment free of substance abuse. Employees, officers and directors are expected to perform their responsibilities in a professional manner and, to the degree that job performance or judgment may be hindered, be free from the effects of drugs and/or alcohol.

**(e) Workplace Violence**

The workplace must be free from violent behavior. Threatening, intimidating or aggressive behavior, as well as bullying, subjecting to ridicule or other similar behavior toward fellow employees or others in the workplace will not be tolerated. No weapons of any kind will be tolerated in the workplace unless such are required for property security purposes and then only after authorization by the Chief Executive Officer. All acts of workplace violence are to be reported to a supervisor immediately or in accordance with the Company's Workplace Bullying and Harassment Policy or the Company's Whistleblower Policy, where appropriate

**(f) Employment of Family Members**

Employment of more than one family member at any exploration project, mine or office of the Company is permissible but the direct supervision of one family member by another is not permitted unless otherwise authorized by the Chief Executive Officer. Except for summer and co-op students, indirect supervision of a family member by another is also discouraged and requires the prior approval of the Chief Executive Officer, any personnel actions affecting that employee must also be reviewed and endorsed by the Chief Executive Officer. In respect of this paragraph, if the employee in question has a "family member relationship" with the Chief Executive Officer, then the approval of the Chairman of the Corporate Governance and Nominating Committee shall be substituted for any approval of the Chief Executive Officer.

**3. ENVIRONMENT, HEALTH AND SAFETY**

**(a) Environment**

The Company is committed to sound environmental management. It is the intent of the Company to conduct itself in a manner having due respect for the environment and community at large as a responsible and caring corporate citizen. The Company is committed to managing all phases of its business in a manner that minimizes any adverse effects of its operations on the environment.

**(b) Health and Safety**

The Company is committed to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. Employees, consultants and contractors must be aware of the safety issues and policies that affect their job, other employees and the community in general.



Employees in a supervisory role, upon learning of any circumstance affecting the health and safety of the workplace or the community, must act immediately to address the situation. Employees must immediately advise their immediate supervisor of any workplace injury or any circumstance presenting a dangerous situation to them, other co-workers or the community in general, so that timely corrective action can be taken.

### **(c) Corporate Social Responsibility**

The Company recognizes that its work is likely to introduce its employees to communities whose economic and social development, cultures and traditions may differ from its own. The Company expects its employees to respect the cultures and traditions of these different communities.

The Company aims to contribute to the wider economic, social and environmental well-being of those communities in which it conducts exploration programs. These communities are of strategic importance to the Company and the objective is to build long term, sustainable relationships. Without such communities' approval and cooperation, the Company's operations would be far less efficient and effective.

The Company expects its staff to abide by the applicable laws and regulations of each country or region in it operates. In the absence of legislation, it is fully expected that the Company's work will conform to industry's "best practices".

## **4. THIRD PARTY RELATIONSHIPS**

### **(a) Conflict of Interest**

Employees, officers and directors are required to act with honesty and integrity and to avoid any relationship or activity that might create, or appear to create, a conflict between their personal interests and the interests of the Company. Employees must disclose promptly in writing possible conflicts of interest to their immediate supervisor, or if the supervisor is involved in the conflict of interest, to that supervisor's superior. Officers and directors should disclose, in writing, any perceived conflicts to the Chairman of the Audit Committee.

Conflicts of interest arise where an individual's position or responsibilities with the Company present an opportunity for personal gain apart from the normal rewards of employment, officership or directorship, to the detriment of the Company. They also arise where a director's, officer's or employee's personal interests are inconsistent with those of the Company and create conflicting loyalties. Such conflicting loyalties can cause a director, officer or employee to give preference to personal interests in situations where corporate responsibilities should come first. Directors, officers and employees shall perform the responsibilities of their positions on the basis of what is in the best interests of the Company and free from the influence of personal considerations and relationships. If a member of a director's, officer's, employee's or consultant's immediate family holds a greater than 5% equity interest in, is a director, officer or employee of or has a significant financial stake in a competitor to the Company, this will be considered a conflict situation that will be required to be disclosed.



Directors, officers and employees shall not acquire any property, security or any business interest, which they know that the Company is interested in acquiring. Moreover, based on such advance information, directors, officers and employees shall not acquire any property, security or business interest for speculation or investment.

### **(b) Competitive Practices**

The Company firmly believes that fair competition is fundamental to the continuation of the free enterprise system. The Company complies with and supports laws which prohibit restraints of trade, unfair practices, or abuse of economic power.

The Company's policy also prohibits employees, officers and directors from entering into or discussing any unlawful arrangement or understanding that may result in unfair business practices or anticompetitive behavior.

### **(c) Supplier and Contractor Relationships**

The Company selects its suppliers and contractors in a non-discriminatory manner based on the quality, price, service, delivery and supply of goods and services. A decision of any director, officer or employee must never be based on personal interests or the interests of family members or friends.

Employees, consultants and contractors should inform their supervisors, and officers and directors should inform the Chairman of the Audit Committee of any relationships that appear to create a conflict of interest.

### **(d) Public Relations**

The Company's board of directors (the "Board") determines the persons who are responsible for all public relations, including all contact with the media. Unless a director, officer or employee is specifically authorized to represent the Company as a spokesperson to the media, a director, officer or employee should not respond to inquiries or requests for information. This includes newspapers, magazines, trade publications, radio, television and social media as well as any other external sources requesting information about the Company. If the media contacts a director, officer or employee about any topic, that person should immediately refer the call to the Chief Executive Officer.

Employees must be careful not to disclose confidential, personal or business information through public or casual discussions to the media or others.

*For additional information, please refer to the Company's "Timely Disclosure, Confidentiality and Insider Trading Policy".*



**(e) Public Officials**

Employee or consultants may not directly or indirectly make payments to public officials with a view to assisting the Company to conduct its business unless the payment is not being made to induce the official to misuse his or her position, the payment is not illegal under the jurisdiction's laws and the payment is properly recorded and identified in accounting records.

*For additional information, please refer to the Company's "Anti-Corruption and Anti-Bribery Policy".*

**(f) Directorships**

Employees of the Company shall not act as directors or officers of any other corporate entity or organization, public or private, without the prior notification of the intention to assume such position to the Corporate Secretary of the Company and without prior written approval of the Chief Executive Officer. Directorships or officerships with such entities will not be authorized if they are considered to not be in the best interest of the Company. The Chief Executive Officer may provide authorizations for directorships that are necessary for business purposes or for directorships with charitable organizations or other entities that will further the Company's profile in the community.

**5. LEGAL COMPLIANCE**

**(a) Compliance with Laws, Rules and Regulations (including insider trading laws and timely disclosure)**

Employees, officers, and directors are expected to comply in good faith at all times with all applicable laws, rules and regulations.

Employees, officers, and directors are required to comply with insider trading rules and all other policies and procedures applicable to them that are adopted by the Company from time to time. These prohibitions apply to every director, officer and every employee and consultant at all levels, and not just to "insiders", such as senior officers and directors.

Employees, officers, and directors must cooperate fully with those responsible for preparing reports filed with the securities regulatory authorities and all other materials that are made available to the investing public to ensure those persons are aware in a timely manner of all information that is required to be disclosed. Employees, officers and directors should also cooperate fully with the independent auditors in their audits and in assisting in the preparation of financial disclosure.





Senior officers of the Company must comply with the Company's procedures on timely disclosure of material information and provide full, fair, accurate, understandable and timely disclosure in reports and documents filed with, or submitted to, securities regulatory authorities and other materials that are made available to the investing public.

*For additional information, please refer to the Company's "Timely Disclosure, Confidentiality and Insider Trading Policy".*

## **6. INFORMATION AND RECORDS**

### **(a) Confidential and Proprietary Information and Trade Secrets**

Employees, officers and directors may be exposed to certain information that is considered confidential by the Company, or may be involved in the design or development of new procedures or technologies related to the business of the Company. All such information, procedures and technologies, whether or not the subject of copyright or patent, are the sole property of the Company. Employees shall not disclose confidential information to persons outside the Company, including family members, and should share it only with other employees who have a "need to know".

*For additional information, please refer to the Company's "Timely Disclosure, Confidentiality and Insider Trading Policy".*

### **(b) Financial Reporting and Records**

The Company maintains a high standard of accuracy and completeness in its financial records. These records serve as a basis for managing its business and are crucial for meeting obligations to employees, customers, investors and others, as well as for compliance with regulatory, tax, financial reporting and other legal requirements. Employees, officers, and directors who make entries into business records or who issue regulatory or financial reports, have a responsibility to fairly present all information in a truthful, accurate and timely manner. No employee, officer or director shall exert any influence over, coerce, mislead or in any way manipulate or attempt to manipulate the independent auditors of the Company.

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.

### **(c) Record Retention**

The Company maintains all records in accordance with laws and regulations regarding retention of business records. The term "business records" covers a broad range of files, reports, business plans, receipts, policies and communications, which include but are not limited to, hard copy, electronic, audio recording, microfiche and microfilm files whether maintained at work or at home. The Company prohibits the unauthorized destruction of or tampering with any records, whether written or in electronic form, where the Company is required by law or government regulation to



maintain such records or where it has knowledge of a threatened or pending government investigation or litigation relating to such records.

## **7. THE CORPORATION'S ASSETS**

### **(a) Use of Company Property**

The use of Company property for individual profit or any unlawful unauthorized personal or unethical purpose is prohibited. The Company's information, technology, intellectual property, mineral rights, buildings, land, equipment, machines, software and cash must be used only for business purposes except as provided by Company policy or approved by an employee's respective supervisor.

### **(b) Destruction of Property and Theft**

Employees, officers and directors shall not intentionally damage or destroy the property of the Company and others or commit theft.

### **(c) Intellectual Property of Others**

Employees, officers and directors may not reproduce, distribute or alter copyrighted materials without permission of the copyright owner or its authorized agents. Software used in connection with the Company's business must be properly licensed and used only in accordance with that license.

### **(d) Information Technology**

The Company's information technology systems, including computers, e-mail, intranet and internet access, telephones and voice mail are the property of the Company and are to be used primarily for business purposes. The Company's information technology systems may be used for minor or incidental personal messages provided that such use is kept at a minimum and is in compliance with Company policy.

Employees, officers and directors may not use the Company's information technology systems to:

- allow others to gain access to the Company's information technology systems through the use of an employee's password or other security codes;
- send harassing, threatening or obscene messages;
- send chain letters;
- access the internet for inappropriate use;
- send copyrighted documents that are not authorized for reproduction;
- make personal or group solicitations unless authorized by a senior officer; or
- conduct personal commercial business.

The Company may monitor the use of its information technology systems.



## **8. COMPLIANCE**

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 Chief Executive Officer and/or the Chief Financial Officer. All reports by an individual of violations will be kept confidential except if otherwise required by law.

Although the various matters dealt with in this Code do not cover the entire range of personnel activities, they are indicative of the Company's commitment to maintaining the highest standards of honesty and integrity and in compliance with all legal and regulatory requirements and are a description of the type of behaviour expected from Company personnel in their dealings with others, whether they be other employees, customers, suppliers, competitors, governments, regulatory authorities, shareholders or the general public. Individuals who breach the Code may be subject to disciplinary action including summary dismissal for just cause without notice or payment in lieu of notice.



## **3.2 Anti-Bribery and Anti-Corruption**

### **ANTI-BRIBERY AND ANTI-CORRUPTION POLICY (the “Policy”)**

Mako Mining Corp. and its subsidiaries (together, “**Mako**” the “**Company**,” or “**we**”) are committed to honest and ethical conduct. This theme is emphasized in the Company’s *Code of Business Conduct and Ethics*. We are committed to interacting with government officials, business partners, third parties and community stakeholders with integrity and in compliance with applicable anti-bribery and anti-corruption laws. This Policy embodies this commitment, and we expect all Company directors, officers and employees (“**Mako Personnel**” or “**you**”) to adhere to the Policy in all of their activities related to their work with the Company.

As a company headquartered in Canada, with a stock exchange listing in Canada, we are subject to a variety of anti-bribery and anti-corruption laws. This includes the Canadian Corruption of Foreign Public Officials Act (“**CFPOA**”) and the Criminal Code. Violations of these statutes can result in criminal and/or civil penalties for the Company and involved individuals, in addition to damaging the reputation of the Company. In addition, violations of this Policy by Mako Personnel may result in disciplinary action. The Company is also subject to and this Policy applies to the laws, instruments, rules and regulatory requirements of the foreign locations in which the Company and its subsidiaries operate and conduct business.

This Policy is supplemental to the CFPOA, the Criminal Code and other anti-bribery legislation, and compliance with this Policy does not restrict the obligations to comply with the CFPOA, the Criminal Code and other anti-bribery legislation.

This Policy and any standards and procedures adopted thereunder shall be communicated to all directors, officers and employees and External Contractors, and other parties as appropriate.

#### **Dealings with Government Officials: No Bribes, Kickbacks or Improper Payments**

You are prohibited from offering, promising, providing or authorizing the transfer of anything of value to any government official (whether directly or indirectly through third parties) to get or keep business or otherwise to secure any improper advantage for Mako. Your belief that “that’s the way business is done” in some part of the world will not protect you or the Company from severe legal penalties that can apply to such conduct, nor will it protect you from disciplinary measures resulting from violations of this Policy.

You must be alert to bribery-related issues across the full range of ways in which our business interacts with government officials. This includes, but is not limited to: (i) granting any permit, license, approval or authorization needed to operate our business; (ii) acting on tax, customs and similar matters; (iii) dealings with law enforcements, the police and, if applicable, aboriginal or indigenous leaders; and (iv) dealings with the judiciary in connection with any court proceedings.



### Government Official: Understanding the Scope

For purposes of this Policy, “government officials” should be considered to include:

- Officials or employees of government departments or agencies at any level (such as legislators and/or environmental regulators, permitting and licensing personnel, tax authorities, police officials, members of the military, judges, etc.), whether federal, provincial, territorial, regional, municipal or otherwise, including U.S., Canadian and foreign officials or employees and officials or employees of tribal, aboriginal, indigenous or First Nations governments or groups;
- Employees of state-owned/controlled enterprises (*e.g.*, state-owned contractors, vendors, or suppliers);
- Candidates for public office and officials of political parties;
- Employees of public international organizations like the World Bank, the International Monetary Fund, the World Health Organization, the United Nations, and the World Trade Organization; and
- Other people who act in an official capacity on behalf of any of the above.

In addition, offering, promising, or providing money or anything of value to a close family member or household member of a government official can constitute a bribe of the official.

Recognizing who is a government official can sometimes be challenging. Many wholly or partially state-owned or state-affiliated enterprises appear to be private rather than public in nature. It is your responsibility to know enough about the people we are doing business or dealing with to determine whether they are government officials under this Policy. When in doubt, consult with the Chief Executive Officer, the Chairman of the Audit Committee or the Chairman of the Corporate Governance and Nominating Committee of the Company.

### Anything of Value: Even Small Payments and Non-Cash Items Are Covered

You should assume that “anything of value” will be interpreted broadly by enforcement officials, and it is interpreted broadly by the Company. It will include gifts, loans, rewards or an advantage or benefit of any kind, among other things. Even small payments or non-monetary gifts or favours can be considered a bribe. Depending on the value and the context, a gift, meal or entertainment; a contribution to an official’s favorite charity; use of an apartment, car or equipment; an internship; or a promise of future employment or business can each be a bribe. This Policy does not contain an exception for so-called “grease” or “facilitating” payments. They are prohibited.



## **Gifts, Meals and Entertainment, and Sponsored Travel or Lodging for Government Officials**

Gift-giving, meals and entertainment, and sponsored travel or lodging can pose special challenges in dealing with government officials. While you cannot give anything of value to a government official to get or keep business or to otherwise gain an improper advantage, you may provide reasonable gifts and promotional items, meals and entertainment, and sponsored travel or lodging to government officials where there is a legitimate business purpose (i.e. if for the promotion, explanation or demonstration of the Company's business, products and services) or the performance of an existing contract with the government, and the thing of value is not being provided in exchange for any action or inaction by the official. If you have any questions about whether a proposed gift or business entertainment is appropriate, you should consult the Chief Executive Officer, the Chairman of the Audit Committee or the Chairman of the Corporate and Nominating Committee of the Company.

## **Dealings with Private Parties: No Bribes, Kickbacks, or Other Inappropriate Payments**

Although significant portions of this Policy are focused on improper payments to government officials, it is important to understand that commercial or private sector bribery is also illegal in many jurisdictions, including Canada and the United States. Commercial bribery means providing a financial or other advantage to anyone (including a current or future business partner) to induce, obligate, reward or cause that person to behave improperly. It includes things like winning business as a result of having provided lavish entertainment or trips to individuals at the business partner with whom we are trying to do business. Engaging in commercial bribery, including giving or receiving kickbacks, is prohibited under this Policy.

If you have any questions about whether a proposed gift or business entertainment event is appropriate, you should consult the Chief Executive Officer, the Chairman of the Audit Committee or the Chairman of the Corporate and Nominating Committee of the Company.

## **Emergency Exception**

This Policy does not prohibit payments to avoid a serious and imminent threat to your life or your physical safety. If at all possible, you should consult with the Chief Executive Officer, the Chairman of the Audit Committee or the Chairman of the Corporate and Nominating Committee of the Company in advance of making any such payment. If that is not possible, you should report to the Chief Executive Officer, the Chairman of the Audit Committee or the Chairman of the Corporate and Nominating Committee of the Company concerning the incident as soon as possible.

## **Political Contributions**

Contributions to political parties and to candidates for public office are prohibited or tightly restricted in many countries, and, where not prohibited outright, can raise corruption concerns. Accordingly, you cannot make a political or campaign contribution in the name of or on behalf of Mako, or where the contribution will be associated with Mako.



### **Charitable Contributions Involving Government Officials**

Any charitable contributions made by or on behalf of Mako must be based on legitimate philanthropic objectives. While it can be appropriate to make a donation to a community organization or a particular cause with the hope of generating generalized goodwill in the community or among a particular constituency, making a donation to a government official's favored charity in exchange for favorable action by that official can constitute a bribe.

You must obtain advance approval from the Chief Financial Officer of the Company prior to making any donation for or on behalf of Mako to a charitable or community development organization in which a government official or a close family member of a government official has a prominent role (for example, as a board member or trustee); where the donation is at the request of a government official; or where the organization is known or believed to be closely associated with a government official.

### **Dealings with, Agents, Consultants, and Third-Party Representatives Acting on Behalf of Mako**

All of our agents, consultants, contractors, vendors, suppliers, advisors, and anyone else who acts on behalf of Mako, or who interacts with government agencies, government officials or state-owned enterprises on behalf of Mako (together, "**External Contractors**"), must be willing to conduct business on the basis of the principles set forth in this Policy.

External Contractors must undergo appropriate review and, as applicable, pre-approval as determined by the Chief Financial Officer of the Company before being engaged.

### **Acquiring Other Companies or Businesses or Participating in Joint Ventures**

Before acquiring another company or business, investing in another company or business, or participating in a joint venture, consortium or similar business arrangement, Mako will conduct appropriate due diligence, as determined by the Chief Financial Officer of the Company, with respect to the other participants, including regarding compliance with anti-bribery and anti-corruption laws. Acquisitions and joint venture and similar agreements also should include contractual provisions regarding compliance with anti-bribery and anti-corruption laws and the principles in this Policy, as determined by the Chief Financial Officer of the Company.

### **Addressing "Red Flags"**

It is important not only to avoid bribery and corruption, but also to avoid ignoring signs of bribery and corruption. Ignoring "red flags" can create significant legal and business risks for Mako and you, and, depending on the nature and seriousness of what was ignored, can lead to legal liability for you and Mako and may result in disciplinary measures being imposed on you by the Company.



If something about a transaction, business arrangement, or request from a government official or private party “looks bad” or “smells funny,” you are expected to ask questions and, where reassuring answers are not forthcoming, promptly refer the matter to Legal for review and guidance. For a non- exhaustive list of examples of “red flags,” please refer to Appendix A.

### **Accurate Books and Records and Effective Internal Controls**

The Company shall maintain at all times, accurate books and records to fulfill its obligations under the CFPOA, and to ensure accurate and effective reporting by the Company in accordance with applicable securities laws.

As with receipts and expenditures generally, any expenditure of Mako funds or other use of Company resources must be accurately described in supporting documents and accurately entered in the Company’s books and records. You will not cause or permit any expenditure covered by this Policy to be handled “off the books,” mischaracterized or buried in some nondescript account like “miscellaneous expenses.”

You will help Mako maintain a system of internal controls sufficient to ensure that our books and records accurately and fairly reflect, in reasonable detail, the Company’s transactions and dispositions of assets; that the Company’s resources and assets are used only in accordance with directives and authorizations by the Board of Directors and management; and that checks and balances are employed so as to prevent the by-passing or overriding of these controls.

### **Violations of This Policy**

This Policy applies to all Mako Personnel. Anyone who violates this Policy can subject both himself or herself and Mako to severe criminal and civil penalties. In a case where money or other things of value are provided or offered to a government official, the consequences can include liability under various anti-bribery and anti-corruption laws, potentially leading to substantial fines and even imprisonment. In addition, depending on the circumstances, violations of this Policy can cause substantial collateral harm to Mako in other areas, including the Company’s ability to obtain government licenses and permits and to conduct future business. Any violation of this Policy will be taken seriously and will lead to the imposition of appropriate disciplinary measures, including potential termination of employment or business relationship.

### **Reporting Violations and Asking Questions**

If you know of or suspect a violation of this Policy, you must report it without delay, either directly to the Chief Executive Officer, the Chairman of the Audit Committee or the Chairman of the Corporate and Nominating Committee of the Company or through the Company’s Whistleblower Policy. Questions concerning the application of this Policy should be directed to the Chief Executive Officer of the Company. You are also encouraged to discuss questions and concerns about the business practices or policies of the Company with your management.





### **Amendments and Waivers**

The Audit Committee will review this Policy on a periodic basis, as deemed necessary, evaluate its effectiveness, and update or amend this Policy as necessary. Under limited and exceptional circumstances, and for legitimate reasons, the Board may approve proposed conduct or conduct that has occurred that deviates from this Policy. If you would like to discuss such an approval, please contact the Chief Financial Officer of the Company.

### **Periodic Anti-Corruption Certification**

Mako Personnel are required to certify periodically, upon request, that they have read, understand and are complying with this Policy (and, as applicable, other Mako policies and procedures) and are not aware generally of any violations of this Policy or any applicable anti-bribery or anti-corruption laws, and certain External Contractors may be required to certify periodically that they are conducting business on the basis of the principles set forth in this Policy and are not aware generally of any violations of this Policy or any applicable anti-bribery or anti-corruption laws.

## **Appendix A Examples of “Red Flags”**

Transactions and other business arrangements generally may not proceed if there are any “red flags” that have not been resolved and/or properly evaluated by the Board. Where you wish to proceed with a transaction or business arrangement that raises any “red flags,” you must resolve the “red flags” and/or refer the transaction or business arrangement to the Board for review and guidance, as appropriate under Mako's policies and procedures.

- The other party has a reputation for bribery and/or corruption.
- The other party has refused to promise that it will comply with anti-bribery laws and/or anti-corruption laws.
- The other party has refused to warrant that it has not paid bribes or engaged in corruption.
- The other party seeks a commission that is excessive, is paid in cash, or is otherwise irregular.
- The other party seeks payment to an account in the name of another party or at a location unrelated to the transaction (for example, an offshore account).
- The other party is owned in part by a government official or his or her family member or otherwise has close ties to a government official.
- A government official suggests hiring a particular adviser to help obtain a government contract or address an issue that is within the jurisdiction of that official.
- The other party has requested that we prepare false invoices or any other type of false documentation.
- The other party is related to a government official who is in a position to grant a business advantage, or is involved in a business in which such official owns an interest.
- The other party insists that his or her identity not be disclosed to a government agency or enterprise.



- The other party refuses to identify its owners, partners, or principals.
- We are informed that a donation to a specific charity is needed to generate or facilitate government action.
- The justification for hiring a new agent or other intermediary is that he/she can obtain preferential treatment from a government official.
- The hiring of an agent or other intermediary is suggested to perform tasks that require no special knowledge or skills, or could easily be performed by our employees.
- There is substantial or extravagant “wining and dining” of government officials.
- There is sponsored travel for government officials and/or family members where there is no clear and legitimate business purpose.
- Relatives of important government officials are on the payroll of the other party.
- The other party has relevant expenses that cannot be explained or that lack supporting documentation.
- The other party has “off the books” receipts or expenses that are relevant to the contemplated transaction.
- The other party has poor internal controls or record-keeping practices that are relevant to the contemplated transaction.



### **3.3 Workplace Bullying and Harassment**

#### **WORKPLACE BULLYING AND HARASSMENT POLICY (the “Policy”)**

##### **PURPOSE**

The Company is committed to a work environment that is free of bullying and harassment, and one in which all individuals are treated with respect and dignity. This Policy has been established to provide clear statement on:

- (a) what does and what does not constitute bullying and harassment;
- (b) roles and responsibilities of the Company, its supervisors and employees,
- (c) the process for reporting bullying and harassment; and
- (d) the process for responding to and investigating reports of bullying and harassment.

##### **SCOPE**

This policy applies to all Company employees including permanent, temporary or casual employees as well as independent contractors. Where the term “employee” is used in this Policy, it will also be deemed to include independent contractors. This Policy applies wherever the Company’s business or work-related activities are conducted (including washrooms and lunchrooms), and includes work-related social functions, conferences and training, and work assignments outside of Company premises (collectively referred to as the “**Workplace**”). This Policy also applies to conduct by employees outside of the Workplace when one or more of Company employees are the target of bullying and harassment (i.e. cyber-bullying).

##### **POLICY STATEMENT**

Every employee has the right to a Workplace that is free from harassment in any form. Bullying and harassment is unacceptable and will not be tolerated. The Company will make every reasonable effort to prevent and eliminate bullying and harassment in the Workplace, and to deal fairly and appropriately with any complaints it receives.

Employees must:

- (a) not engage in the bullying and harassment of other employees;
- (b) report if bullying and harassment is observed or experienced; and
- (c) comply with the Company’s policies and procedures on bullying and harassment.



Any employee or independent contractor who engages in workplace bullying and harassment will be subject to discipline, up to and including termination of employment or contract.

## **BULLYING AND HARASSMENT**

WorkSafe BC defines Bullying and Harassment as including:

1. any inappropriate conduct or comment by a person towards a worker that the person knew or reasonably ought to have known would cause that worker to be humiliated or intimidated, but
2. excluding any reasonable action taken by an employer or supervisor relating to the management and direction of workers or the place of employment.

Workplace bullying and harassment include acts, physical contact or comments which can have the effect of mentally hurting or isolating a person in the Workplace. Workplace bullying and harassment usually consists of repeated incidents or a pattern of behaviour that is intended to intimidate, offend, belittle or humiliate a particular person or group of people. Lack of intent does not mean the conduct is not bullying and harassment if the bully ought to have known the behaviour would cause the victim to be humiliated or intimidated. Bullying and harassment can also consist of a single traumatic incident.

Workplace bullying and harassment does not include the exercise of management rights to reorganize the Workplace, assign additional work, to hold employees accountable for their performance through performance improvement or corrective action plans, and impose justifiable discipline. Also, not every instance of Workplace conflict or differences of opinion is bullying and harassment, nor is making a legitimate complaint about another's conduct through the Company's established procedures.

## **BULLYING AND HARASSMENT REPORTING PROCEDURE**

### **WHAT TO DO IF YOU OBSERVE, OR BELIEVE YOU ARE THE VICTIM OF BULLYING AND HARASSMENT**

Employees who feel they are being subject to bullying and harassment are encouraged to tell the individuals that his/her behaviour is unwelcome and ask him/her to stop. It is difficult or inappropriate to approach the person responsible, or if the offender does not stop the behaviour, then employees should report the incident(s).

Employees who become aware of situations where bullying and harassment may be occurring should report to suspected bullying and harassment.

### **HOW TO REPORT ALLEGED AND SUSPECTED BULLYING AND HARASSMENT**

Reports of alleged or suspected bullying and harassment may be made verbally or in writing. Provide as much information as possible in the report, including an account of the incident(s), where and when the incident(s) occurred, the persons involved and the names of witnesses, if any.



Provide any other evidence or information that you may believe are relevant to the complaint, such as emails, handwritten notes, text messages and photographs.

Reports should be made to the employee's immediate supervisor or manager. If the immediate supervisor or manager is alleged to be involved in the bullying and harassment, then reports can be made to the Chief Executive Officer.

### **CONFIDENTIALITY**

All reports complaints will be handled in a confidential manner. Information concerning a complaint, or action taken as a result of the investigation, will only be released as necessary to conduct a proper investigation, to take disciplinary measures, or where required by law.

## **BULLYING AND HARASSMENT INVESTIGATION PROCEDURE**

### **HOW AND WHEN INVESTIGATIONS WILL BE CONDUCTED**

All complaints and reports of alleged bullying and harassment will be investigated. Most investigations will be conducted internally, however in complex or sensitive situations, and external investigator may be hired. The investigation process will involve interviews of the complainant, the respondent and any witnesses named by either. If the complainant and the respondent agree on what happened in the incident, the Company will not investigate further and will determine what corrective action to take.

Investigations will be:

- Undertaken promptly and diligently;
- Focused on finding facts and evidence, including interviews of the complainant, respondent and any witnesses;
- Sensitive to the interests of all parties involved; and
- Fair and impartial.

### **ROLES AND RESPONSIBILITIES**

All employees are expected to report suspected bullying and harassment and to cooperate with those responsible for investigating any complaints. The Company has a responsibility to prevent any bullying and harassment in the Workplace therefore if any supervisor or manager fails to report incidents of bullying and harassment, or fails to take appropriate corrective action, he or she will be subjected to disciplinary action, up to and including termination.



### **FOLLOW-UP**

The Complainant and respondent will be advised of the result of the investigation results, and appropriate correction actions, including discipline will taken at that time. The Company will keep a written record of investigations, including the findings.

Regardless of the outcome of any bullying and harassment complaint made in good faith, the employee lodging a complaint or reporting suspected bullying and harassment, as well as anyone providing information regarding the complaint, will be protected from any form of retaliation by either co-workers or supervisors.

### **PERIODIC REVIEW**

The Company's Workplace Bullying and Harassment Policy will be reviewed periodically, as deemed necessary. All employees will be provided with a copy of the Policy when they are hired and when amendments to the Policy are made.

## **3.4 Whistleblower**

### **WHISTLEBLOWER POLICY (the “Policy”)**

#### **OBJECTIVE AND SCOPE**

The Company is committed to the highest standards of openness, honesty and accountability and believe that trust and integrity are of vital importance to its business.

The Company’s financial and other information guides the decisions of the Company’s board of directors (the “Board”) and is relied upon by its shareholders and the financial markets. For these reasons, the Company (including its subsidiaries and affiliates) must maintain a workplace where the Company can receive, retain and address all reports or complaints concerning: (i) accounting matters generally, including, without limitation, internal accounting controls, the conduct of the Company’s audit of its financial accounts and statements and related accounting matters (collectively, “Accounting/Audit Concerns”); (ii) other "non-financial" matters, which, if disclosed, could reasonably be expected to raise concerns regarding the integrity, ethics or bona fides of the Company (collectively, “Non-Accounting Concerns”); and (iii) conduct which constitutes or could result in a violation of law by the Company or in a substantial mismanagement of Company resources and if proven constitutes a criminal offence or reasonable grounds for dismissal of the person(s) engaging in such conduct (collectively, a “Questionable Event”).

The purpose of this Policy is to provide the Company’s directors, officers, employees, consultants and third parties who are concerned about a Questionable Event or have Accounting/Audit Concerns or Non-Accounting Concerns (collectively, a “Concerned Person”) with a mechanism by which they can raise these concerns free of any discrimination, retaliation or harassment.

#### **BACKGROUND AND WHISTLE BLOWING PROCEDURE**

The Company recognizes that directors, officers and employees of, or consultants to, the Company, who are often the first to realize that there may be something seriously wrong within a Company, may not express or report their concerns because they feel that speaking up would be disloyal to their colleagues or the Company, any such concerns may be ignored or may jeopardize their position in, or employment by, the Company.

The Company expects any Concerned Person who has Accounting/Audit Concerns, Non-Accounting Concerns or reasonable grounds for believing that there is occurring, or has occurred, a Questionable Event within the Company to report those concerns to Company management (on an anonymous basis, if so desired) or to raise those concerns by emailing or otherwise informing their immediate supervisor (on an anonymous basis, if so desired). All reports will be taken seriously and will be promptly investigated. The specific action taken in any particular case



depends upon the nature and gravity of the conduct or circumstances reported and the quality of the information provided. Where the reported Accounting/Audit Concern or Non-Accounting Concern is found to be accurate and where Questionable Events have been found to have occurred or be occurring, those matters will be corrected and, if appropriate, the person(s) responsible will be disciplined.

This Policy is intended to encourage and enable Concerned Persons to voice their concerns regarding any Accounting/Audit Concern, Non-Accounting Concern or Questionable Event within the Company rather than ignoring any such concern or feeling compelled to deal with any Accounting/Audit Concern, Non-Accounting Concern or Questionable Event outside of the Company due to a lack of availability of procedures as provided hereunder.

Any Concerned Person who finds that their concerns about an Accounting/Audit Concern, Non-Accounting Concern or Questionable Event not satisfactorily addressed by their immediate supervisor (or higher-ranking persons), or who feels that the seriousness and sensitivity of the issues or people involved require that the reporting of such Accounting/Audit Concern, Non-Accounting Concern or Questionable Event should neither be addressed to the attention of his or her immediate supervisor, nor follow the normal corporate reporting channels, should forward their concerns to the Chairman of the Audit Committee of the Board of Directors of the Company, who is an independent director of the Company and not an internal employee of the Company, in a sealed envelope marked "To be opened by the Audit Committee only, being submitted to the Whistleblower Policy of the Company", at the address noted below. The person making the submission should provide a telephone number at which he or she may be contacted if the Audit Committee deems appropriate for further discussion. If management receives any such envelope, it shall be forwarded promptly and unopened to the Chairman of the Audit Committee. The Chairman of the Audit Committee can be reached as follows:

PRIVATE AND CONFIDENTIAL

Attn: Chairman of the Audit Committee

Mako Mining Corp.

595 Burrard Street

Suite 2833

Vancouver, BC V7X 1K8

## **SAFEGUARDS AGAINST RETALIATION, HARASSMENT OR VICTIMIZATION**

The Company strictly prohibits any discrimination, retaliation, threats or harassment against any person(s) who reports or who participates in an investigation of a report or complaints about Accounting/Audit Concerns, Non-Accounting Concerns or Questionable Events.

If you believe you have been subject to discrimination, retaliation, threats or harassment for having made a report under this Policy you must immediately report those facts to your immediate supervisor or the Chief Executive Officer. If you are not comfortable with discussing the matter

with either of those individuals, you should bring the matter to the attention of a member of the Audit Committee. It is imperative that you bring the matter to the Company's attention promptly so that any concern of discrimination, retaliation, threat or harassment can be investigated and addressed quickly and appropriately. If a complaint of discrimination, retaliation, threat or harassment is substantiated appropriate disciplinary action, up to and including termination of employment or contract, will be taken.

## **CONFIDENTIALITY**

All expressions of concerns or reports on Accounting/Audit Concerns, Non-Accounting Concerns or Questionable Events within the Company, filed pursuant to this Policy, will proceed internally on a confidential basis.

## **ANONYMOUS ALLEGATIONS**

Expressions of serious concerns or reports on Accounting/Audit Concerns, Non-Accounting Concerns or Questionable Events within the Company filed on an anonymous basis will also be treated appropriately.

## **UNTRUE ALLEGATIONS**

In the event that, in good faith, a Concerned Person reports an Accounting/Audit Concern, Non-Accounting Concern or Questionable Event that is not confirmed by subsequent investigation or otherwise, no action shall be taken against such Concerned Person. Conversely, in the event that a Concerned Person reports an Accounting/Audit Concern, Non-Accounting Concern or Questionable Event for frivolous or malicious purposes or for his or her personal gain, the appropriate disciplinary or legal action will be taken against such Concerned Person, including, without limitation, possible dismissal for cause.

## **HOW TO RAISE A CONCERN**

Concerns may be raised with the Chairman of the Audit Committee verbally or in writing (including by e-mail). Concerned Persons who wish to make a written report are asked to provide:

- the background and history of the Accounting/Audit Concern, Non-Accounting Concern or Questionable Event (giving relevant dates);
- the reasons prompting the particular concern about the situation;
- the extent to which the Concerned Person has personally witnessed or experienced; and
- the Accounting/Audit Concern, Non-Accounting Concern or Questionable Event (providing documented evidence where possible).

## **RECORDS AND REPORTING**

The Chairman of the Audit Committee will maintain a record of concerns raised and the outcomes (but in a form which does not endanger the confidentiality of a Concerned Person's identity where



necessary) and will report to the independent Chairman of the Board and, as necessary, to management and/or all other independent directors of the Board, having regard to the nature of the Accounting/Audit Concern, Non-Accounting Concern or Questionable Event.

## **INVESTIGATION**

The Chairman of the Audit Committee or, in the event of a Non-Accounting Concern or where the Questionable Event is of a “non-financial” nature, the independent members of the Board (or a Committee of independent directors so designated by the Board), shall determine the steps and procedures to be taken to address the concern appropriately and whether an investigation is appropriate and, if so, what form such investigation should take as well as other parameters (for example whether external investigators should be employed, the timing of such investigation and other such matters as are deemed appropriate in the circumstances).

Other than in the case of anonymous allegations, the Concerned Person will be informed of the outcome of any investigation and/or any treatment of his or her claim or notice.



## **3.5 Timely Disclosure, Confidentiality, and Insider Trading**

### **TIMELY DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY (the “Policy”)**

#### **1. Purpose of this Policy**

The purpose of this Policy is to set forth certain policies to ensure that:

- the Company complies with its timely disclosure obligations as required under applicable Canadian securities laws;
- the Company prevents the selective disclosure of material changes (as defined herein) to analysts, institutional investors, market professionals and others;
- documents released by the Company or public oral statements made by a person with actual, implied or apparent authority to speak on behalf of the Company that relate to the business and affairs of the Company do not contain a misrepresentation (as defined herein);
- all persons to whom this Policy applies understand their obligations to preserve the confidentiality of Undisclosed Material Information (as defined herein); and
- all appropriate parties who have Undisclosed Material Information are prohibited from trading in securities of the Company on such Undisclosed Material Information and Tipping (as defined herein) under applicable laws, stock exchange rules and this Policy.

#### **2. Application of this Policy**

The main groups of persons to whom this Policy apply are set forth in Schedule “A” attached hereto. Each section of the Policy that imposes restrictions and obligations will describe which groups of persons are subject to that section. References in this Policy to “any person to whom this Policy applies” or similar references are intended to include persons in all of the groups described in Schedule “A”.



### **3. Disclosure Committee**

#### **3.1 Structure of the Disclosure Committee**

A corporate disclosure committee (the “**Disclosure Committee**”), will be responsible for approving press releases and other public disclosure materials in situations where there is insufficient time or it is otherwise not practicable for the Board to approve same, as required. The Disclosure Committee shall consist of the Chief Executive Officer, the Chief Financial Officer, and the Chairman of the Board of Directors of the Company, or such other Director as may be designated from time to time by the Board and, where such press release or other disclosure involves or includes financial information, the Chairman of the Audit Committee. Notwithstanding the foregoing, the composition of the Disclosure Committee may change from time to time and the Company shall advise all persons to whom this Policy applies of any such changes.

#### **3.2 Responsibilities of the Disclosure Committee**

The Disclosure Committee shall have the responsibility to:

- (a) evaluate the necessity of making public disclosures;
- (b) review and approve, before they are Generally Disclosed (as defined herein), each Document (as defined herein) to assess the quality of the disclosures made in the Document including, but not limited to, whether the Document is accurate and complete in all material respects;
- (c) review and approve the guidelines and procedures to be followed in ensuring that the information required to be disclosed in Core Documents (as defined herein) is gathered from the appropriate management and other Company personnel;
- (d) establish timelines for the preparation of Core Documents, which timelines shall include sufficient time for review by the appropriate Company personnel, the Board, the Company’s independent auditors, and the Audit Committee of the Board, as applicable, and the receipt of comments and the review of the comments by the Disclosure Committee in advance of the filing deadlines;
- (e) make determinations about whether:
  - (i) a Material Change has occurred;
  - (ii) selective disclosure has been or might be made; or
  - (ii) a misrepresentation has been made;



- (f) oversee the design and implementation of this Policy and the Company’s “**disclosure controls and procedures**,” which are defined as controls and procedures that are designed to ensure that information required to be disclosed by the Company in its Core Documents is recorded, processed, summarized and reported within specified time periods;
- (g) periodically evaluate the effectiveness of the Company’s disclosure controls and procedures, particularly prior to the filing of each Core Document, and assist the Chief Executive Officer and the Chief Financial Officer with their evaluation of the effectiveness of such disclosure controls and procedures. The Disclosure Committee’s evaluation shall include but not be limited to assessing the adequacy of the controls and procedures in place to ensure that material information required to be disclosed in the Company’s Core Documents is being recorded, processed, summarized and reported;
- (h) make recommendations to the Chief Executive Officer and the Chief Financial Officer with respect to the disclosures to be contained in Core Documents to be filed by the Company;
- (i) in its discretion, conduct interim evaluations of the Company’s disclosure controls and procedures in the event of significant changes in securities regulatory requirements, International Financial Reporting Standards (IFRS) or stock exchange requirements, or if it otherwise considers such interim evaluations appropriate;
- (j) promote awareness of, and compliance with, this Policy by persons to whom it applies;
- (k) monitor the effectiveness of, and compliance with, this Policy and report to the Chairman of the Board on the operation of this Policy, or to the Chief Executive Officer and the Chief Financial Officer in the case of the effectiveness of the disclosure controls and procedures and the Disclosure Committee’s assessment of the quality of the disclosures made in Documents, and recommend any necessary changes to this Policy; and
- (l) annually review and reassess the adequacy of this Policy and, if necessary, recommend any proposed changes to the Chief Executive Officer and the Chief Financial Officer for approval by the Board, such that it complies with changing requirements and best practices.



### **3.3 Meetings of the Disclosure Committee**

The Disclosure Committee shall meet formally or informally as circumstances dictate. Minutes shall be taken in the case of formal meetings, by the chairman of such committee as selected by the Disclosure Committee members from time to time, or such other person designated by the chairman. Any member of the Disclosure Committee may call a meeting of the Disclosure Committee, with or without notice as circumstances dictate, to consider any matter within the mandate of the Disclosure Committee. A majority of the members of the Disclosure Committee present in person or by conference call at the time a meeting of this committee is convened shall constitute a quorum for all purposes. Unless otherwise set out in this Policy, or as established by the Disclosure Committee from time to time, all of the rules of procedure with respect to meetings and other activities of the Board shall apply to formal meetings of the Disclosure Committee. The Disclosure Committee may adopt disclosure controls and procedures in addition to those set out herein.

### **3.4 Consulting Outside Advisors**

The Disclosure Committee may consult with the Company’s legal counsel and other appropriate expert advisors as it considers necessary in connection with this Policy.

## **4. Individuals Who Are Authorized to Speak on Behalf of the Company**

**4.1** Unless otherwise authorized by the Disclosure Committee, only the individuals (“**Spokespersons**”) listed below are authorized to make public oral statements, and otherwise communicate with analysts, the media and investors on behalf of the Company and its subsidiaries and only with respect to the areas noted opposite their respective names. The list may be changed by the Disclosure Committee from time to time.

<b><u>Spokesperson</u></b>	<b><u>Area</u></b>
Chief Executive Officer	All
Chief Financial Officer	Corporate and Financial
Chairman of the Board	All

**4.2** If any person (other than a Spokesperson) to whom this Policy applies who is approached by the media, an analyst, investor or any other member of the public to comment on the business and affairs of the Company or any of its subsidiaries, such person must refer all inquiries to the Chief Executive Officer and must immediately notify the Chief Executive Officer that the approach was made.

## **5. Procedures Regarding the Preparation and Release of Documents**

- 5.1** The procedures in this section apply to all Directors, Officers, Employees and Contractors.
- 5.2** A “**Document**” means any written communication, including a communication prepared and transmitted in electronic form:
- that is required to be filed with the Canadian securities regulatory authorities in Canada, either on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) website at [www.sedar.com](http://www.sedar.com) or otherwise;
  - that is not required to be filed with Canadian securities regulatory authorities or on the SEDAR website, but is so voluntarily filed;
  - that is filed or required to be filed with any stock exchange or similar institution under its bylaws, rules or regulations; or
  - the content of which would reasonably be expected to effect the market price or value of the securities of the Company.
- 5.3** A “**misrepresentation**” means:
- an untrue statement of a material fact (as defined herein); or
  - an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the circumstances in which it is made.
- 5.4** The Canadian securities legislation distinguishes between “core documents” and “non-core documents”.

For the purpose of this Policy, the following documents are “**Core Documents**”:

- prospectuses;
- take-over bid circulars;
- issuer bid circulars;
- directors’ circulars;
- rights offering circulars;
- management’s discussion and analysis (“**MD&A**”);
- annual information forms;
- information circulars;
- annual financial statements;
- interim financial statements; and
- material change reports.



**5.5** Prior to the time that any Document is to be released to the public, filed with a securities regulatory authority, filed on SEDAR or otherwise filed with a government agency or stock exchange, the following procedures must be observed:

- the Document must be prepared in consultation with, and be reviewed by, personnel in all applicable internal departments of the Company, and input from external experts and advisors should be obtained as necessary;
- any Core Document, other than a material change report, must be reviewed and approved by the Disclosure Committee;
- any press release or other Document (other than a Core Document) which contains Undisclosed Material Information or any material change report must be reviewed and approved by at least the members of the Disclosure Committee, at least one of whom is the Chief Executive Officer or the Chief Financial Officer;
- any press release which does not contain Undisclosed Material Information must be reviewed and approved by the Chief Executive Officer and at least one other member of the Disclosure Committee;
- in the event that a report, statement or opinion of any expert is included or summarized in a Document, the written consent of the expert to the use of the report, statement or opinion or extract thereof and the specific form of disclosure shall be obtained. In addition, an Officer of the Company with the appropriate expertise must be satisfied that:
  - (i) there are no reasonable grounds to believe that there is a misrepresentation in the part of the Document made on the authority of the expert; and
  - (ii) the part of the Document made on the authority of the expert fairly represents the expert report, statement or opinion;
- Core Documents, other than material change reports, must be provided to the Board sufficiently in advance of the time they are to be filed or released to allow the Board to review and comment on such documents. It is recognized that the requirement to make prompt disclosure of material changes by way of press releases may make it difficult to have certain press releases and material change reports reviewed in advance by the Board; and
- in the case of interim financial statements, annual financial statements and interim and annual MD&A, such documents must be reviewed by the Audit Committee and recommended for approval by the Board, in accordance with the Audit Committee Charter, following approval of the Disclosure Committee and prior to submission to the Board as a whole.

**5.6** In the event that a Document contains any Forward-Looking Information (as defined herein) this information must be specifically identified as such and the following additional disclosure shall be provided in written form proximate to where the Forward-Looking Information appears:



- reasonable cautionary language identifying the Forward-Looking Information as such;
- identifying the material factors that could cause actual results to differ materially from expected results from a conclusion, forecast or projection in the Forward-Looking Information; and
- a statement of the material factors or assumptions that were applied in the Forward-Looking Information.

**5.7** “**Forward-Looking Information**” means all disclosure regarding possible events, conditions or results (including future-oriented financial information with respect to prospective results of operations, a prospective financial position or prospective changes in financial position that is based on assumptions about future economic conditions and courses of action) that is presented as either a forecast or a projection. An example would be the discussion of trends and prospects for the Company in its MD&A and guidance or outlooks regarding production and costs, as applicable.

## **6. Procedures Regarding Public Oral Statements**

**6.1** The procedures in this section apply to all Directors, Officers, Employees, Contractors and Spokespersons and any other person with actual or implied authority to make a public oral statement.

**6.2** A “**public oral statement**” is any oral statement made in circumstances in which a reasonable person would believe that information contained in the statement will become generally disclosed. Examples include speeches, presentations, news conferences, interviews and discussions with analysts where the Company’s business and affairs, prospects or financial condition is discussed. The following procedures should be observed in respect of any public oral statements made by or on behalf of the Company:

- such public oral statements should be made only by the Spokespersons authorized by this Policy to make public oral statements on behalf of the Company;
- any public oral statement referring to a statement, report or opinion of an expert in whole or in part must have the prior consent of said expert prior to a Spokesperson making a public oral statement related thereto;
- the Spokespersons must ensure that any public oral statements on behalf of the Company do not contain a misrepresentation and comply with Section 13 of this Policy (Avoiding Selective Disclosure) and Section 5.6 of this Policy (Forward-Looking Information) and should normally script their comments and prepare answers to anticipated questions in advance of the meeting or conference;



- any Undisclosed Material Information that is contained in the script must be Generally Disclosed before the meeting or conference or deleted from the script if it is premature for the information to be Generally Disclosed;
- if Undisclosed Material Information is inadvertently disclosed, the participants must advise a member of the Disclosure Committee, who shall take immediate steps to ensure that the information is Generally Disclosed; and
- pending the Undisclosed Material Information being Generally Disclosed, the Company must contact the parties to whom the Undisclosed Material Information was disclosed and inform them (1) that the information is Undisclosed Material Information and (2) of their legal obligations with respect to the Material Information.

**6.3** Where a public oral statement contains Forward-Looking Information, the Spokesperson should, prior to making such a public oral statement provide a cautionary statement indicating that the public oral statement contains Forward-Looking Information and directing recipients of such information to the Company's publicly disclosed documents that outline relevant risk factors.

## **7. Disclosure Controls and Procedures**

The following disclosure controls and procedures of the Company have been reasonably designed to ensure that information required to be disclosed is recorded, processed, summarized and reported on a timely basis:

- (a) The Disclosure Committee shall assign responsibility to the appropriate individuals to draft the required disclosures in the material public disclosures of the Company and shall develop a timeline to ensure the drafting and review is conducted in a timely manner.
- (b) All personnel who are requested to have direct input into the preparation of Core Documents will be provided with instructions and such other additional information, as they may require, to ensure that they are familiar with the Company's obligations, the importance of compliant and accurate disclosure and the reliance which is being placed upon them.
- (d) The Disclosure Committee shall meet as many times as may be necessary to review the draft public disclosure, consider all comments raised by members of the Disclosure Committee and other reviewers. Concerns will be addressed with outside counsel and the independent auditors, as necessary.
- (e) Where it considers it necessary or advisable, the Disclosure Committee will have portions of Core Documents reviewed by another knowledgeable person. All financial information shall be reviewed by a member of the Audit Committee.
- (f) At least on an annual basis, and prior to completion of the annual filings, the Disclosure Committee shall include in its report to the Board:



- (i) that it has followed the disclosure controls and procedures; and
- (ii) the Disclosure Committee's findings and conclusions regarding the effectiveness of the Company's disclosure controls and procedures,

and the Disclosure Committee shall meet with the Board to discuss any questions any Director may have, and to report in person, upon the request of the Board.

- (g) If for any reason the Disclosure Committee cannot agree upon their report, it shall meet with the Board to discuss its procedures and the issues which remain outstanding.

## **8. Timely Disclosure of Material Information**

**8.1** “**Material information**” consists of both “material facts” and “material changes”. A “**material fact**” means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities of the Company. A “**material change**” means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Company and includes a decision to implement such a change if such a decision is made by the Board or by senior management of the Company who believe that confirmation of the decision by the Board is probable.

**8.2** Any person to whom this Policy applies who becomes aware of information that is potentially Material Information must immediately disclose that information to the Chief Executive Officer or other member of the Disclosure Committee and the Chief Executive Officer or such other member of the Disclosure Committee shall advise the Disclosure Committee. Schedule “B” attached hereto lists examples of Material Information.

**8.3** Upon the occurrence of any change that may constitute a material change in respect of the Company, the Disclosure Committee, in consultation with such other advisors as it may consider necessary, shall:

- consider whether the change or event constitutes a material change;
- if it does constitute a material change, prepare a press release and a material change report describing the material change, as required under applicable securities laws;
- determine whether a reasonable basis exists for filing the material change report on a confidential basis. In general, filings will not be made on a confidential basis, although in exceptional circumstances (such as disclosure related to a potential acquisition) confidential disclosure may be appropriate;
- to the extent practicable, circulate the draft press release and material change report to the members of the Board and senior management together,



if applicable, with the recommendation that it be filed on a confidential basis;

- if applicable, following approval by the Disclosure Committee, file the material change report on a confidential basis and when the basis for confidentiality ceases to exist, and the event remains material, issue a press release and file a material change report in compliance with applicable securities laws. During the period of time while a confidential material change has not been publicly disclosed, the Company shall not release a document or make a public oral statement that, due to the undisclosed material change, contains a misrepresentation.

**8.4** Press releases disclosing Material Information will be transmitted to the TSX Venture Exchange (“**TSXV**”), relevant regulatory bodies and major newswire services that disseminate financial news to the financial press, as applicable. Any press releases issued by the Company during market trading hours containing Material Information should be sent to IIROC surveillance staff for review before being released on the newswires or posted on the Company’s website. When IIROC surveillance staff believe that the information is material enough to significantly impact the price of the security they may issue a “trading halt.” A trading halt is a temporary pause in trading to allow the market to properly absorb the information. It is based on the principle that all investors should have the same timely access to important company information.

## **9. Internet Chat Rooms and Bulletin Boards**

Directors, Officers, Employees and Contractors must not discuss or post any information relating to the Company or any of its subsidiaries or trading in securities of the Company in Internet chat rooms, newsgroups or bulletin boards.

## **10. Rumours**

The Company shall not comment on rumours. This also applies to rumours on the Internet or any other social media platform. Spokespersons will respond consistently to those rumours, saying: “It is our policy not to comment on market rumours or speculation.” If the TSXV or a securities regulatory authority requests that the Company make a statement in response to a market rumour, the Disclosure Committee will consider the matter and make a recommendation to the Chief Executive Officer as to the wording and context of any response.

## **11. Website and Social Media**

**11.1** The Chief Executive Officer (or an officer or employee designated by him or her) and investor relations personnel (or a person contracted to act in such capacity) of the Company are responsible for creating and maintaining the Company’s website and any social media account, including apps, that may be created from time to



time. The content of the Company's website and social media, as applicable, must be compliant with this Policy and all applicable laws.

The Company's website must be maintained in accordance with the following.

- the following information must be included on the website:
  - (1) all Material Information that has previously been Generally Disclosed, including, without limitation, all documents filed on SEDAR or a link to those documents on SEDAR;
  - (2) all non-Material Information that is given to analysts, institutional investors and other market professionals (such as fact sheets, fact books, slides of investor presentations, materials distributed at analyst and industry conferences); and
  - (3) all press releases or a link to those press releases;
- the website must contain an e-mail link to an investor relations contact for the Company to facilitate communication with investors;
- the website must include a notice that advises the reader that the information was accurate at the time of posting, but may be superseded by subsequent disclosures;
- inaccurate information must be promptly removed from the website and a correction must be posted;
- information contained on the website must be removed or updated when it is no longer current;
- a list of all analysts known to follow the Company (and not just selective analysts) may be posted on the investor relations page, but analysts' reports must not be posted on the Company's website or linked to the Company's website;
- all links from the Company's website must be approved by the Company's Chief Financial Officer and all links should include a notice that advises the reader that he or she is leaving the Company's website and that the Company is not responsible for the contents of the other site; and
- no links will be created from the Company's website to chat rooms, newsgroups or bulletin boards.

**11.2** If the Company is considering a distribution of its securities, the content of its website should be reviewed with the Company's corporate counsel before and during the offering to ensure compliance with applicable securities laws.

## **12. Confidentiality of Undisclosed Material Information**

**12.1** "Undisclosed Material Information" of the Company is Material Information about the Company that has not been "Generally Disclosed", that is, disseminated to the public either by way of a press release (or other appropriate continuous disclosure document filed on SEDAR in accordance with applicable securities laws) or through a press conference, conference call or webcast that members of the public may attend or listen to (either by phone or other electronic transmission,



including the Internet) of which notice has been provided by press release (a “**Company Call**”), together with the passage of a reasonable amount of time (24 hours, unless otherwise advised that the period is longer or shorter, depending on the circumstances) for the public to analyze the information. Notice of any Company Call will include the date and time of the Company Call and a general description of what is to be discussed, the means of accessing the Company Call and how long the transcript or replay will be available on the Company’s website.

**12.2** Any person to whom this Policy applies and who has knowledge of Undisclosed Material Information must treat the Material Information as confidential until the Material Information has been Generally Disclosed.

**12.3** Undisclosed Material Information shall not be disclosed to anyone except in the necessary course of business. If Undisclosed Material Information has been disclosed in the necessary course of business, anyone so informed must clearly understand that it is to be kept confidential, and, in appropriate circumstances, execute a confidentiality agreement. Schedule “C” attached hereto lists circumstances where securities regulators believe disclosure may be in the necessary course of business. When in doubt, all persons to whom this Policy applies must consult with the Chief Executive Officer to determine whether disclosure in a particular circumstance is in the necessary course of business. For greater certainty, disclosure to analysts, institutional investors, other market professionals and members of the press and other media will not be considered to be in the necessary course of business.

**12.4** “**Tipping**”, which refers to the disclosure of Undisclosed Material Information to third parties outside the necessary course of business, is prohibited.

**12.5** In order to prevent the misuse of inadvertent disclosure of Undisclosed Material Information, the procedures set forth below should be observed at all times:

- Employees, Officers and Directors are responsible and accountable for safeguarding the Company’s documents and information to which they have direct or indirect access as a result of their employment, officership or directorship with the Company.
- Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who “need to know” that information in the necessary course of business and not left out in the open;
- code names and/or encrypted passwords should be used if appropriate or necessary;



- Confidential matters should not be discussed in places where the discussion may be overheard;
- Transmission of documents containing Undisclosed Material Information by electronic means will be made only where it is reasonable to believe that the transmission can be made and received under secure conditions such as a dedicated server; and
- Unnecessary copying of documents containing Undisclosed Material Information must be avoided and all copies of documents must be promptly removed from meeting rooms and work areas at the conclusion of the meeting and must be destroyed (e.g. shredded if possible) if no longer required. The use of memory sticks should be avoided.

### **13 Avoiding Selective Disclosure**

- 13.1** When participating in shareholder meetings, news conferences, analysts' conferences and private meetings with analysts or institutional investors, Spokespersons must only disclose information that either (1) is not Material Information or (2) is Material Information but has previously been Generally Disclosed. Any selective disclosure of Undisclosed Material Information, including earnings guidance, is not permitted.
- 13.2** To protect against selective disclosure, the procedures outlined in Section 6 (Procedures Regarding Public Oral Statements) should be followed.
- 13.3** If Material Information that has not been Generally Disclosed is inadvertently disclosed, the Company shall contact the parties to whom the Material Information was disclosed and inform them: (a) that the information is Undisclosed Material Information, and (b) of their legal obligations with respect to the Material Information.

### **14 Analyst Reports and Meetings with Analysts**

- 14.1** When reviewing analysts' reports, comments of Directors, Officers, Employees and Contractors must be limited to identifying factual information that has been Generally Disclosed that may affect an analyst's model and pointing out inaccuracies or omissions with respect to factual information that has been Generally Disclosed. Any comments must contain a disclaimer that the report was reviewed for factual accuracy only. No comfort or guidance shall be expressed on the analysts' earnings models or earnings estimates and no attempt shall be made to influence an analyst's opinion or conclusion.





- 14.2** Analysts reports are proprietary products of the analyst’s firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Company of the report. For these reasons, the Company should not provide analysts’ reports through any means to persons outside of the Company or to employees of the Company, including posting such information on its website.
- 14.3** The Company may from time to time give earnings guidance or any other Forward-Looking Information through voluntary disclosure by way of a press release, provided that the cautionary language described in Section 5.6 accompanies the information.
- 14.4** The Company recognizes that meetings with analysts and significant investors are an important element of the Company’s investor relations program. The Company may meet with analysts and investors on an individual or small group basis as needed, and should initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Policy.
- 14.5** The Company should provide only non-Material Information through individual and group meetings, in addition to regular publicly disclosed information. It is recognized that an analyst or investor may construct this information into a mosaic that could result in Material Information. However, the Company should not alter the materiality of information by breaking down the information into smaller, non-material components.
- 14.6** Spokespersons should keep notes of telephone conversations with analysts and investors and, where applicable, more than one Company representative should be present at all individual and group meetings. A debriefing should be held after such meetings and, if such debriefing uncovers selective disclosure of previously Undisclosed Material Information, the Company should promptly disclose such information via news release.

## **15 Trading of Securities of the Company**

- 15.1** “**Insider Trading**”, which refers to persons in a Special Relationship with the Company purchasing or selling or otherwise monetizing securities of the Company while in possession of Undisclosed Material Information, is prohibited.
- 15.2** In addition to Section 15.1, Directors, Officers, Employees and Consultants shall not purchase or sell or otherwise monetize securities of the Company except during a “**Trading Window**”, provided there is no "**Blackout Period**" in effect. “**Trading Window**” means: (1) the period of time beginning on the second day on which the TSXV is open for trading and on which the trading in the Company’s securities is not halted or suspended (a “**Trading Day**”) after the financial results for the first, second, third fiscal quarter or the fiscal year (as applicable) have been disclosed by way of a news release and ending ten (10) days prior to the scheduled



issuance of the financial news release for the next fiscal quarter or fiscal year (as applicable); and (2) any other period designated by the Chief Executive Officer or the Disclosure Committee and communicated to those persons to whom this Policy applies. If the Trading Window ends on a weekend or statutory holiday, it shall be deemed to have ended on the last business day before the weekend or statutory holiday.

**"Blackout Period"** means: (1) any time when trading securities of the Company is prohibited pursuant to this Policy; and (2) any other period designated by the Disclosure Committee and communicated to those persons to whom this Policy applies.

- 15.3** Notwithstanding Section 15.2, a Director, Officer, Employee or Contractor may purchase or sell securities during a Blackout Period with the prior written consent of the Chief Executive Officer or the Chief Financial Officer. The Chief Executive Officer or the Chief Financial Officer, as applicable will grant permission to purchase or sell during a Blackout Period only in the case of unusual, exceptional circumstances. Exceptional circumstances may include the sale of securities in the case of financial hardship or where the timing of the sale is important for tax planning purposes. In no event will any person be permitted to trade with a third party when such person has knowledge of any Undisclosed Material Information.
- 15.4** The trading prohibitions in Sections 15.1 and 15.2 do not apply to the acquisition of securities from the Company through the exercises of stock options or shares issued under similar incentive plans, but do apply to the sale of the securities acquired through the exercise of the stock option or similar securities issued under an incentive plan.
- 15.5** Notwithstanding the Trading Window set out in Section 15.2 above, the period beginning at the end of each quarter and ending two (2) trading days following the date of public disclosure of the financial results for that quarter is particularly sensitive, as certain Officers, Directors and Employees will often possess Undisclosed Material Information about the expected financial results for the quarter. Accordingly, to ensure compliance with this Policy and applicable securities laws, all Directors, Officers and Employees having access to internal financial statements or other Undisclosed Material Information shall refrain from undertaking transactions involving the purchase or sale of the Company's securities during this time.



## **16. Insider Reports**

- 16.1** An Insider of the Company is required to file:
- an initial insider report within ten (10) days of becoming a Reporting Insider (as defined herein) disclosing items (i) and (ii) below; and
  - subsequent insider reports within five (5) days following any change to the Reporting Insider's:
    - (i) direct or indirect beneficial ownership of, or control or direction over, securities of the Company; or
    - (ii) interest in, or right or obligation associated with, a related financial instrument (as defined herein) involving a security of the Company.

An Insider does not generally have to file an initial insider report if he or she does not have any ownership, control, direction, interest, right or obligation of the nature outlined in items (i) or (ii) above upon becoming a Reporting Insider.

## **17. Commitment**

- 17.1** To demonstrate its determination and commitment to the purposes of this Policy, the Company asks each Employee to review this Policy periodically throughout the year. The Employee should take the opportunity to discuss with management any circumstances that may have arisen that could be considered a breach of this Policy.

## **18. Managing Expectations**

- 18.1** The Company should try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts' estimates are in line with the Company's own expectations. The Company should not confirm, or attempt to influence, an analyst's opinions or conclusions and should not express comfort with analysts' models and earnings estimates.
- 18.2** If the Company has determined that it will be reporting results materially below or above what it considers to be generally publicly held expectations, it should disclose this information in a news release in order to enable discussion without risk of selective disclosure.

## **19. Potential Liability**

- 19.1** Employees who violate this Policy will be subject to disciplinary action by the Company, which may include termination of employment.

**Non-compliance with this Policy is a serious breach of the terms and conditions of engagement and will be dealt with accordingly.**



## **Schedule “A”**

### **Individuals and Entities to Whom This Policy Applies**

**“Director”** means a member of the board of directors of the Company or any of its subsidiaries.

**“Directors, Officers, Employees and Contractors”** means a Director, an Officer, an Employee or a Contractor of the Company or its subsidiaries. As described below, all Directors, Officers, Employees and Contractors are also Persons in a Special Relationship with the Company.

**“Contractor”** means an independent contractor (who is engaged in an employee-like capacity) of the Company or any of its subsidiaries.

**“Employee”** means a full-time, part-time, contract or secondment employee of the Company or any of its subsidiaries.

**“Insider”** means:

- (1) a Director or an Officer of the Company;
- (2) a person who beneficially owns, directly or indirectly, more than 10% of the voting securities of the Company or who exercises control or direction over more than 10% of the votes attached to the voting securities of the Company (a "10% Shareholder");
- (3) a Director or an Officer of a subsidiary of the Company; or
- (4) a Director or an Officer of a 10% Shareholder of the Company.

As described herein, (1) Directors, Officers, Employees and Contractors and (2) Persons in a Special Relationship with the Company are all considered to be Insiders.

**“Officer”** means:

- (1) the chair or a vice-chair of the Board of Directors of the Company or any of its subsidiaries, the President, Chief Executive Officer, Chief Financial Officer, a Vice-President, the Corporate Secretary, the Controller, the Treasurer or the General Manager of the Company or any of its subsidiaries or any of their operating divisions; or
- (2) any other individual who performs functions for the Company or any of its subsidiaries similar to those normally performed by an individual occupying any of the offices listed in (1) above.



**“Persons in a Special Relationship with the Company” means:**

- (1) each Director, Officer, Employee and Contractor;
- (2) each 10% Shareholder;
- (3) each director, officer, employee or contractor of a 10% Shareholder;
- (4) each member of an operating or advisory committee of the Company or any of its subsidiaries;
- (5) each director, officer, partner and employee of a company that is engaging in any business or professional activity with the Company or its subsidiaries and who routinely comes into contact with Material Information;
- (6) each person or company that learned of Material Information with respect to the Company from a person or company described in (1) through (5) of this definition and knew or ought reasonably to have known that the other person or company was in such a special relationship; and
- (7) any member of the immediate family or household of any of the individuals referred to in (1) through (6) who resides in the same household as that individual.
- (8) A company is considered to be a "subsidiary" of another company if it is controlled by (1) that other, (2) that other and one or more companies, each of which is controlled by that other, or (3) two or more companies, each of which is controlled by that other; or it is a subsidiary of a company that is that other's subsidiary. In general, a company will control another company when the first company owns more than 50% of the outstanding voting securities of that other company.

**“related financial instrument” means:**

- (1) an instrument, agreement, security or exchange contract the value, market price or payment obligations of which are derived from, referenced to or based on the value, market price or payment obligations of a security, or
- (2) any other instrument, agreement, or understanding that affects, directly or indirectly, a person or company’s economic interest in a security or an exchange contract;

**“Reporting Insider” means an Insider of a Company if the Insider is:**

- (1) the CEO, CFO or COO of the Company, of a significant shareholder (as such term is defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*) of the Company or of a major subsidiary (as such term is defined in National Instrument 55-104) of the Company;



- (2) a director of the Company, of a significant shareholder of the Company or of a major subsidiary of the Company;
- (3) a person or company responsible for a principal business unit, division or function of the Company;
- (4) a significant shareholder of the Company;
- (5) a significant shareholder based on post-conversion beneficial ownership of the Company's securities and the CEO, CFO, COO and every director of the significant shareholder based on post-conversion beneficial ownership;
- (6) a management company that provides significant management or administrative services to the Company or a major subsidiary of the Company, every director of the management company, every CEO, CFO and COO of the management company, and every significant shareholder of the management company;
- (7) an individual performing functions similar to the functions performed by any of the insiders described in paragraphs (1) to (6);
- (8) the Company itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or
- (9) any other Insider that
  - (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the Company before the material facts or material changes are generally disclosed; and
  - (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the Company.



## **Schedule “B”**

### **Examples of Information That May Be Material**

(Based on National Policy 51-201 – *Continuous Disclosure Obligations*)

#### **Changes in corporate structure**

- changes in share ownership that may affect control of the Company
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

#### **Changes in capital structure**

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in a Company’s dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to the rights of security holders

#### **Changes in financial results**

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any period
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Company’s assets
- any material change in the Company’s accounting policies

#### **Changes in business and operations**

- any development that affects the Company’s resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- significant discoveries by resource companies
- changes to the Board or executive management, including the departure of the Company’s Chairman, CEO, CFO, COO or President (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible



- de-listing of the Company's securities or their movement from one quotation system or exchange to another

#### **Acquisitions and dispositions**

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another Company

#### **Changes in credit arrangements**

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the Company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements





## **Schedule “C”**

### **Examples of Disclosures That May Be Necessary in the Course Of Business**

(Reproduced from National Policy 51-201 – *Disclosure Standards*)

**(1) Disclosure to:**

- vendors, suppliers, or strategic partners on issues such as research and development, sales and marketing, and supply contracts
- employees, officers and directors
- lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to the Company
- parties to negotiations
- labour unions and industry associations
- government agencies and non-governmental regulators
- credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency’s ratings generally are or will be publicly available)

**(2) Disclosures in connection with a private placement**

**(3) Communications with controlling shareholders, in certain circumstances**

## **3.6 Diversity Principles**

### **Diversity Principles**

The Company's Board of Directors (the "**Board**") is responsible for the stewardship of the Company.

The Company does not discriminate on the basis of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability, or any other prohibited grounds of discrimination set forth in applicable federal or provincial law or guidelines. Directors, officers, contractors, consultants and employees are retained on the basis of their background, skills, relevant experience, education and potential to contribute to the success of the Company. In addition, candidates for Board membership are evaluated based upon their independence, qualifications to act as directors and other qualities which the board as a whole feels are appropriate to assist it in operating in an effective manner, with due regard for the benefits of diversity. Taken together, these diverse skills and backgrounds help to create a business environment that encourages a range of perspectives and fosters excellence in corporate governance, including the creation of shareholder value. Candidates for Board membership who are selected for nomination by the Board (or any committee of the Board established for such purpose from time to time) based on the foregoing criteria will be presented to shareholders for consideration without discrimination.

There are currently no formal diversity policies in place regarding gender representation on the Board or in executive officer positions. The Board believes that given the current size and stage of development of the Company, a formal diversity policy will not provide a tangible benefit to shareholders at this time. The Company believes in retaining the most qualified candidate for any position irrespective of gender, and recruitment efforts will continue to be governed by the principles set forth above. A formal diversity policy may be implemented in the future should the Board determine it is appropriate.

### **3.7 Majority Voting**

#### **MAJORITY VOTING POLICY (the "Policy")**

##### **PURPOSE**

The Board of Directors (the "**Board**") of Mako Mining Corp. (the "**Company**") believes that each of its members should carry the confidence and support of its shareholders. To this end, the directors have unanimously adopted this Policy. Future nominees for election to the Board will be asked to review and understand this Policy before their names are put forward.

##### **PROCEDURES**

Forms of proxy for the vote at a shareholders' meeting where directors are to be elected will enable the shareholder to vote in favour of, or to withhold from voting, separately for each nominee. In an uncontested election of directors of the Company, each director should be elected by the vote of a majority of the shares represented in person or by proxy at any shareholders' meeting involving the election of directors. If any director nominee receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "**Majority Withheld Vote**"), that director shall promptly submit his or her resignation to the Chair for consideration following the meeting. An "uncontested election" means an election where the number of nominees for director equals the number of directors to be elected.

The Board shall consider the offer of resignation and whether to accept it within 90 days following the applicable meeting, and announce its decision via press release. The Board shall provide a copy of such press release to the stock exchange. Absent exceptional circumstances, the Board shall accept the resignation. Any director who tenders his or her resignation may not participate in the deliberations of the Board on such matter. In its deliberations, the Board will consider any stated reasons why shareholders "withheld" votes from the election of that director, the effect such resignation may have on the Company's ability to comply with any applicable governance rules and policies and the dynamics of the Board, and any other factors that the Board considers relevant. If the Board declines to accept the resignation, it will include in the press release the reasons for its decision.

If a resignation is accepted, the Board may, in accordance with the *British Columbia Business Corporations Act* and the Company's articles and previously-passed shareholders' resolutions, appoint a new director to fill any vacancy created by the resignation or reduce the size of the Board, within the minimum and maximum number, if any, of directors fixed under the Company's Notice of Articles. If a director does not tender his or her resignation in accordance with this Policy, the Board will not re-nominate that director at the next election.

If a sufficient number of Board members receive a Majority Withheld Vote in the same election, such that the Board no longer has a quorum, then the independent directors shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board



whether to accept them. However, if the only directors who do not receive a Majority Withheld Vote in the same election do not constitute a quorum for a Board meeting, all directors may participate in the determination of whether or not to accept the resignation offers.