



## TORQ RESOURCES INC DISCLOSURE POLICY

(Updated as of March 23, 2023)

### I. PURPOSE OF THIS POLICY

1. The purpose of this Disclosure Policy (the “**Policy**”) of Torq Resources Inc. (“the Company”) is to set forth certain policies to ensure that:
  - (a) the Company complies with its timely disclosure obligations as required under applicable Canadian securities laws, including the *Securities Act* (British Columbia) (the “**Securities Act**”);
  - (b) the Company takes a consistent approach with respect to its disclosure practices;
  - (c) the Company prevents the selective disclosure of Material Facts or Material Changes (as defined herein as Material Non-Public Information or “MNPI” and further described below) to analysts, institutional investors, market professionals and others;
  - (d) 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 relates to the business and affairs of the Company do not contain a misrepresentation (as defined herein);
  - (e) all persons to whom this Policy applies understand their obligations to preserve the confidentiality of MNPI; and
  - (f) the Chief Executive Officer, the Chief Financial Officer (sometimes herein “CEO” and “CFO”) have the opportunity prior to them executing their certifications related to the Company’s Core Documents (as defined herein) to assess the effectiveness of the Company’s disclosure controls and procedures (as defined herein) and furthermore that the Board of Directors (“Board”) has a reasonable opportunity to review and comment on the disclosure made in the Core Documents (as further described below) prior to dissemination.

### II. APPLICATION AND ADMINISTRATION OF THIS POLICY

1. This Policy will be administered and implemented by the Company’s Disclosure Committee, which consists of the CEO, the CFO, the Chief Geological Officer and the Manager, Investor Relations (the “**Disclosure Committee**”). This Policy shall be reviewed periodically by the Disclosure Committee and the Nomination and Governance Committee and any amendments to this Disclosure Policy shall be subject to the approval of the Board.
2. This policy applies to all personnel but 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 special restrictions and obligations will describe which groups of persons are subject to that section.

### III. AUTHORIZED SPOKESPERSONS

1. The individuals (“**Spokespersons**”) listed below (and only these individuals) are authorized to initiate communication with and respond to analysts, the media and investors on behalf of the



Company and only with respect to the areas noted opposite their respective names. The list may be changed by the Board from time to time.

<u>Spokesperson</u>	<u>Area</u>
Board Chair	All Areas
Chief Executive Officer	All Areas
Chief Financial Officer	Financial
Chief Geological Officer	Technical
VP Communications	General information (excluding technical or financial except where scripted by a QP or the CFO)

2. Any person (other than Spokespersons) to whom this Policy applies who is formally approached for comment by the media, an analyst, investor or any other member of the public to comment on the business and affairs of the Company, must refer all inquiries to the CEO and CFO and should promptly notify those persons that the approach was made.

#### IV. PREPARATION AND RELEASE OF DOCUMENTS

1. The procedures in this section apply to all Directors, Officers, Employees and Contractors.

2. A “**Document**” means any public written communication, including a communication prepared and transmitted in electronic form:

(a) that is filed with any securities regulatory authority in Canada, either on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) website at [www.sedar.com](http://www.sedar.com) or otherwise with any stock exchange or governmental agency such as a mining operations or environmental report whether such report is mandated or volunteered;

(b) the content of which would reasonably be expected to affect the market price or value of the securities of the Company.

3. A “**misrepresentation**” has the meaning given under applicable Canadian or United States securities laws and the Canadian definition is attached in Schedule D.

4. Securities legislation distinguishes between “core documents” and “non-core documents”. For the purpose of this Policy, the following documents are “**Core Documents**”:

(a) prospectuses;

(b) take-over bid circulars;

(c) issuer bid circulars;

- (d) directors' circulars;
- (e) a notice of change or variation in respect of a take-over bid circular, issuer bid circular or directors circular;
- (f) rights offering circulars;
- (g) management's discussion and analysis ("MD&A");
- (h) annual information forms;
- (i) information circulars, including annual general and special meetings;
- (j) annual financial statements;
- (k) interim financial statements; and
- (l) Material Change reports.

5. Prior to the time that any Document is to be released via public filing, the following procedures must be observed:

- (a) the Document must be prepared in consultation with, and be reviewed by and written approval obtained from personnel in all applicable internal departments of the Company, and input from external experts and advisors should be obtained when determined by the CEO or CFO;
- (b) any Core Document, other than a Material Change report, must be reviewed and approved by the Board;
- (c) any news release which contains MNPI must be reviewed and approved by the CEO or the CFO and at least one other member of the Disclosure Committee and provided to the Board in advance of its release;
- (d) any news release which does not contain MNPI must be reviewed and approved by the CEO or the CFO and at least one other member of the Disclosure Committee and provided to the Board in advance of its release;
- (e) any news release described in (c) and (d) above that contains technical information must be reviewed and approved by the Company's qualified person ("QP"). For more clarity, if the QP is a member of the Disclosure Committee, their approval will also satisfy the requirement to obtain approval from one other member of the Disclosure Committee in (c) and (d);
- (f) in the event 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, the Disclosure Committee 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) part of the Document fairly represents the expert report, statement or opinion.

(g) in the case of interim financial statements, annual financial statements and interim and annual MD&A, such documents, including any press releases relating to such documents and any earnings guidance issued by the Company, must be reviewed and approved by the Audit Committee in accordance with the Audit Committee Charter, who make a recommendation for approval to the Board who are given the opportunity to review the documents in full prior to the resolution to approve the publication of these documents;

(h) in the case of a certification of “DC&P” (disclosure controls and procedures); Form 52-109F1 requires the certifying officers to represent that the issuer has disclosed in its annual MD&A certain information about the certifying officers’ evaluation of the effectiveness of DC&P. Form 52-109F1 also requires the certifying officers to represent that the issuer has disclosed in its annual MD&A certain information about the certifying officers’ evaluation of the effectiveness of internal control over financial reporting (“ICFR”). Under National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102), the board of directors must approve the issuer’s annual MD&A, including the required disclosure concerning DC&P and ICFR, before it is filed. To provide reasonable support for the board of directors’ approval of an issuer’s MD&A disclosure concerning ICFR, including any material weaknesses, the board of directors should understand the basis upon which the certifying officers concluded that any particular deficiency or combination of deficiencies did or did not constitute a material weakness; this responsibility is delegated to the Audit Committee and the Board receive the report from the Chair of this Committee including commentary on DC&P and ICFR at the Company.

6. In the event that a Document contains any Forward-Looking Statements (as defined herein) this information must be specifically identified as such and the following additional disclosure shall be provided in written form proximate to each place in the Document where the Forward-Looking Statements appear:

- (a) reasonable cautionary language identifying the Forward-Looking Statements as such;
- (b) 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 Statements; and
- (c) a statement of the Material Factors or assumptions that were applied in the Forward-Looking Statements.

7. **“Forward-Looking Statements”** 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, or otherwise identified as Forward-Looking Statements by the Disclosure Committee. An example would be the discussion of trends and prospects for the Company in its MD&A.

## V. PUBLIC ORAL STATEMENTS

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

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, in group and individual meetings and telephone conversations with members of the investment

community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers), or with employees, stakeholders, interviews with the media as well as speeches, industry conferences, news conferences and conference calls and dealings with the public generally. 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:

- (a) 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;
- (b) any public oral statement referring to a statement, report or opinion of an expert in whole or in part must have the prior written consent of said expert prior to a Spokesperson making a public oral statement related thereto;
- (c) the Spokespersons must ensure that any public oral statements on behalf of the Company do not contain a misrepresentation and comply with Section XIII of this Policy (Avoiding Selective Disclosure) and Section IV.6 of this Policy (Forward-Looking Statements);
- (d) when available, a transcript or electronic recording of all speeches, interviews and other public oral statements made by any Spokesperson shall be made and furnished to the VP Communications immediately following the making of such public oral statement; and
- (e) the VP Communications shall review the transcript and/or electronic recording of each public oral statement made by or on behalf of the Company to ensure that the public oral statement was properly captured or quoted, did not contain a misrepresentation or otherwise require correction. If such public oral statements are found to contain a misrepresentation or require correction or clarification, the person shall advise the CEO and CFO and the Company shall issue a correcting news release as soon as practicable after observing the above procedures related to issuance of news and establish how the error occurred to prevent re-occurrence.

3. Where a public oral statement contains Forward-Looking Statements, the Spokesperson must, prior to making such a public oral statement make the following cautionary statement indicating that the public oral statement contains Forward-Looking Statements;

*"Please appreciate our exploration business is an inherently uncertain one and some of my commentary will likely contain forward-looking statements, so be cautioned that the actual results could differ materially from these statements and remember to have a look at "Risk Factors" sections in our public filings where we describe a number of Material Factors that could cause our actual results to differ."*

## **VI. DISCLOSURE CONTROLS AND PROCEDURES**

1. The Disclosure Committee have designed the Company's Disclosure Controls and Procedures Policy which will be implemented and monitored by the Disclosure Committee, and amended, as necessary, by the Board upon the recommendation of the Disclosure Committee. In accordance with the Disclosure Controls and Procedures Policy:

- (a) The CFO in consultation with 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) The Disclosure Committee shall review new developments, key risks and business challenges or areas of concern for special attention during the drafting process.

(c) 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 required to review the draft, consider all comments raised and resolve them. Unresolved differences should be reviewed by counsel and the 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. Financial information in the Core Documents shall be reviewed by the auditors where a review engagement or auditor consent is required.

(f) To serve as an additional record of the procedures employed, and to emphasize the importance of accurate and reliable information in the Company's material public disclosures, the Disclosure Committee shall obtain an email confirming clearance for filing from such person.

(g) Operations personnel may be requested to provide their confirmation, as appropriate, that all Material Information has been communicated to the responsible executive officers.

(h) Once the Disclosure Committee has agreed upon a final draft, the CFO on behalf of the Disclosure Committee shall report to the CEO and Board that:

- (i) the Disclosure Committee has followed the disclosure controls and procedures;
- (ii) the Disclosure Committee's findings and conclusions regarding the effectiveness of the Company's disclosure controls and procedures; and
- (iii) the Disclosure Committee's assessment of the quality of the disclosures made in the Company's Core Documents,

and the Disclosure Committee shall respond to any comments or enquiries of the Board or CEO.

## VII. TIMELY DISCLOSURE OF MATERIAL INFORMATION

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. See Schedule D for definitions.

2. This Policy applies to all personnel, therefore, anyone who becomes aware of information that has the possibility of being Material Information must immediately disclose that information to either his or her immediate superior for immediate transmission to either the Chief Executive Officer or the Chief Financial Officer, one of whom shall advise the Disclosure Committee and the Board. Schedule "B"



attached hereto lists examples of Material Information. Either positive or negative information may be material and unfavourable Material Information must be disclosed as promptly and completely as favourable Material Information. The Disclosure Committee shall ensure that the Company's approach to materiality is consistent, for example grouping drill or other exploration results and releasing them in a consistent manner.

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:

- (a) Determine if the event constitutes a Material Change;
- (b) if it does constitute a Material Change, assist management to prepare a news release and a Material Change report describing the Material Change as required under applicable laws (including with the applicable time periods required under applicable securities law);
- (c) consider if 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;
- (d) circulate the draft news release and Material Change report to the members of the Board and senior management together, with any recommendation that it should be filed on a confidential basis;
- (e) impose a trading black-out until a reasonable period after the information is made public.

4. News releases disclosing Material Information will be released by news wire, normally after review by IIROC.

5. After release through the newswire service, news releases are posted to the Investor Relations section of the Company's website and on SEDAR at [www.sedar.com](http://www.sedar.com). Posting on the website alone does not satisfy the requirement of broad dissemination of material, non-public information.

6. Statements by Influential Persons (see definition Schedule D) can result in secondary market liability for the Company and its insiders. If persons governed by this policy believe they have heard a misstatement by an Influential Person, it should be promptly reported to the CFO or CEO.

## **VIII. ACCIDENTAL DISCLOSURE**

1. If any person to whom this Policy applies inadvertently discloses material confidential information to an outside party and is concerned that such disclosure may not have been in accordance with this policy, such person must promptly notify the CFO or, failing that, another member of the Disclosure Committee. The Disclosure Committee and Board will assess whether a trading halt of the Company's common shares on any stock exchange(s) on which securities of the Company are listed should be halted until proper disclosure has been made.

## **IX. RUMOURS**

1. The Company shall normally refrain from comment, affirmatively or negatively, on rumours unless it believes a failure to do so represents the greater danger. This also applies to rumours on

the Internet. Spokespersons will normally respond to less material rumours, saying “It is our policy not to comment on market rumours or speculation.” Provided however, if a rumour is partially true or becomes true and involves MNPI, disclosure of the relevant Material Information must be made by the Company and a trading halt may be instituted pending release and dissemination of the information. Also, if the TSX Venture, or any other securities exchange on which the Company’s securities are listed, 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 nature and context of any response.

## **X. ONLINE COMMUNICATIONS, SOCIAL MEDIA, INTERNET CHAT ROOMS AND BULLETIN BOARDS**

1. The Company recognizes that websites and other channels available on the Internet, including social media (such as Facebook, LinkedIn and Twitter) are communication tools available to companies and their directors, officers and employees for disclosure and communication purposes and that many of the Company’s directors, officers and employees use online communication for both professional and personal purposes. Online communications are an extension of the Company’s formal corporate disclosure record, and as such, the securities laws and stock exchange rules applying to disclosure of information apply equally to information posted on the Company’s website and distributed by other electronic means, including through social media. As a result, care must be taken that any disclosure with regard to the Company through the Company’s website or social media accounts, or by our directors, officers and employees through their personal social media accounts, complies with this Policy and all applicable securities laws and stock exchange rules.

2. All Company social media accounts and platforms must be specifically authorized by the CEO, and the CFO. For the purposes of this Policy, “social media” (and its applications) consist of Web-based tools used to generate, publish and discuss user-generated content and to connect with other users. Current social media tools consist of social networks (such as Facebook and LinkedIn), online communities (such as Twitter and Reddit), blogs, forums, wikis, virtual worlds and content hosting sites and other platforms (such as YouTube, Instagram, Snapchat and TikTok). Notwithstanding the foregoing, social media is an emerging technology that changes frequently and as such, all present and future forms of collaborative, online communications are within the scope of this Policy and all personnel are prohibited from using their personal accounts on these platforms in connection with the Company, unless written approval is provided by the Company’s CEO and CFO.

3. Social media is a particularly sensitive area specifically for the risk of inadvertent disclosure of MNPI but also because it affects the appearance, reputation and goodwill of the Company.

4. The Company will not disclose Material Information through social media, it will only issue news releases disclosing that information, disseminated broadly and on SEDAR and EDGAR, such dissemination to include the filing of a Material Change report, if and as required by applicable securities laws. The Company will alert the market of any third-party investor relations (IR) firms that we intend to adopt from time to time for disclosure purposes and advise the market and investors to follow us through the social media networks established by such IR firms.

5. Specific guidelines around disclosure through social media and other online platforms are as follows:

- (a) There should be no disclosure with regard to the Company except through the Company’s approved website or social media accounts, and never by our directors, officers and employees through their personal social media accounts or platforms. For better clarity, directors,

officers and employees should not tag or reference the Company in any way through their personal accounts, unless prior written approval from the company's CEO or CFO has been obtained.

(b) Social media postings through the Company's social media accounts, including re-posting of third-party postings (which are generally to be avoided), which reference the Company in either a professional or personal capacity, must be pre-approved by the VP Communications, and if the posting includes technical information, pre-approval by the QP must also be obtained.

(c) Participation in internet chat rooms, social media, electronic newsgroups, blogs or bulletin board discussions on matters pertaining to the Company's activities or its securities is prohibited without the approval of the Disclosure Committee which will make very few exceptions and then normally only for scripted comments and responses.

## XI. WEBSITES

1. The **Manager Investors Relations** of the Company, with oversight by the Chief Executive Officer, the Executive Chair or the Chief Financial Officer, is responsible for creating and maintaining the Company's website. The Company's website must be maintained in accordance with the following:

(a) the following information must be included on the website:

(i) the contents of or links to all Material Information that has previously been Generally Disclosed (as defined herein), including, without limitation, all documents filed on SEDAR via a link to those documents on SEDAR;

(ii) all 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);

(iii) web replays of shareholder meetings or analysts' conferences; and

(iv) all news releases or a link to those news releases;

(b) the following information must not be included on the website without the approval of the CEO or CFO;

(i) financial analyst reports (but they may be acknowledged to exist and referenced by firm and author);

(ii) investor relations information, that is authorized by a third party, unless the information was prepared on behalf of the Company, or is general in nature and not specific to the Company; and

(iii) media articles about the Company's business.

(c) the website must contain an e-mail link to an investor relations contact for the Company to facilitate communication with investors;

(d) a cautionary statement that advises the reader that the website may include forward-looking-information and that information posted was believed to be a reasonable forward looking

statement at the time of posting but may be superseded by subsequent disclosures and is subject to risks contained in the public disclosures;

(e) inaccurate information must be promptly removed from the website and a correction must be posted;

(f) information contained on the website must be removed, or marked as superseded and updated when it is no longer current;

(g) a list of all financial analysts known to follow the Company may be posted on the Investor Relations page, but as contemplated in section XI.1(b) above;

(h) a list of all social media accounts and Internet addresses maintained by the Company;

(i) all links from the Company's website must be approved by the Chief Executive Officer and all links must 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

(j) while no links will be created from the Company's website to chat rooms, newsgroups or bulletin boards, pre-approved and publicly disclosed information posted on external websites may be referenced on the Company's website with authorization by the Chief Executive Officer or the Chair of the Board.

2. All information on the Company's website will be retained for a period of six years from the date of issue.

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

## **XII. CONFIDENTIALITY OF MNPI**

1. **"Material Non-Public Information" or "MNPI"** of the Company is Material Information about the Company that has not been **"Generally Disclosed"**, that is, disseminated to the public by way of a news release together with the passage of a reasonable amount of time (two days, unless otherwise advised that the period is longer or shorter, depending on the circumstances) for the public to analyze the information.

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

3. MNPI shall not be disclosed to anyone except in the necessary course of business. If MNPI 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 as it may be updated by references to NI 52-101 (as it may be updated) 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 Disclosure Committee and/or the Chief Financial 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. “Tipping”, which refers to the disclosure of MNPI to third parties outside the necessary course of business, is prohibited.

4. In order to prevent the misuse of inadvertent disclosure of MNPI, all persons to whom this Policy applies shall observe the procedures set forth below should at all times:

- (a) 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 code names should be used if necessary;
- (b) Confidential matters should not be discussed in places where the discussion may be overheard or overseen, such as elevators, hallways, restaurants, airplanes, public places and transit, taxis;
- (c) Documents and files containing confidential information should not be read or displayed in public places, including on smart phones, laptops, tablets, and other portable electronic devices;
- (d) Transmission of documents containing MNPI by electronic means will be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- (e) Care must be taken while printing confidential information on shared office printers and/or disposal of such print copy;
- (f) Unnecessary copying of documents containing MNPI must be avoided and extra copies of documents must be promptly removed from meeting rooms and work areas at the conclusion of the meeting and must be destroyed if no longer required;
- (g) Access to MNPI and confidential electronic data should be restricted through the use of passwords; and
- (h) Visitors to site or offices should be accompanied at all times to ensure that they are not left alone in offices or work areas containing confidential and MNPI.

### **XIII. CONFERENCE CALLS, MEETINGS AND AVOIDING SELECTIVE DISCLOSURE**

1. When participating in shareholder meetings, news conferences, social media, the Company’s official analysts’ conferences and private meetings with analysts or institutional investors (each, a “**Meeting**”), Spokespersons must only disclose information that either (1) is not Material Information or (2) is Material Information but has previously been Generally Disclosed. For greater certainty, acceptable topics of discussion include the Company’s business prospects (subject to the provisions of this Policy), the business environment, management’s philosophy and long-term strategy. Any selective disclosure of MNPI is not permitted.

2. To protect against selective disclosure, the procedures outlined in Section V Public Oral Statements, Section X Online Communications, Social Media, Internet Chat Rooms and Bulletin Boards and Section X.2 Websites must be followed.

3. At the beginning of any Meeting, a Spokesperson shall notify all participants that there may be discussion of forward-looking statements and shall provide the appropriate cautionary language with respect to such forward-looking statements and direct participations to publicly filed disclosure documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties that



could affect such forward-looking statements. As further outlined in Section IV (Preparation and Release of Documents).

4. During any public Meeting, the Disclosure Committee shall ensure that the discussion taking place at such Meeting shall be accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the internet. Where practicable, the Disclosure Committee shall meet to discuss appropriate answers to anticipated questions in advance of any such public meeting, conference call or other shareholder meeting or update.

5. Where appropriate, the Company shall provide advance notice of the public Meeting by issuing a press release, announcing the date and time and providing information allowing interested parties to access the call and webcast. In addition, the Company may invite members of the investment community, the media and others to participate. Such notice will also be advance posted on the Company's website.

6. An archived audio webcast on the Company's website, or an audio transcript of the public Meeting, if available, shall be made available following the public Meeting for a minimum of 10 days for anyone interested in listening to a replay and shall be retained for a minimum of six years in the Company's records. The archived audio webcast page of the Company's website shall include a notice that advises the reader that the information therein is for historical purposes only and that while information contained within the releases was believed to be accurate at the time of issue, the Company will not, and specifically dis-claims any duty to, update this information.

7. If, at a non-public Meeting, 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 MNPI, and (b) of their legal obligations with respect to the Material Information.

8. If, at a public Meeting, Material Information that has not been Generally Disclosed is inadvertently disclosed, the Company shall immediately disclose such information broadly via press release.

9. If at any Meeting any Material Information is misstated or omitted, inadvertently or otherwise, such misstatement or omission shall be immediately reported to the Disclosure Committee. The Disclosure Committee shall consider and authorize release of an appropriate statement or other disclosure or communication correcting such misstatement or omission.

#### **XIV. CONTACT WITH ANALYSTS, INVESTORS AND ANALYST REPORTS**

1. Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered MNPI. If the Company intends to announce Material Information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a press release containing such information, which release is disseminated in accordance with this Disclosure Policy.

2. Spokespersons shall keep notes of telephone conversations with analysts and investors and, where practicable and appropriate, more than one Company representative will be present at all individual and group meetings. If after such meetings it is realized that the conversation included disclosure of previously undisclosed MNPI, the Company shall immediately disclose such information broadly via a press release. If such debriefing uncovers any misstatement or omission, the Disclosure Committee shall consider and, if deemed advisable, authorize release of an appropriate statement or other disclosure correcting such misstatement and or omission.

3. 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 perceived inaccuracies and or omissions with respect to factual information that has been Generally Disclosed.

4. In order to avoid appearing to "endorse" an analyst's report or model, the Company provides its comments orally, or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy and that the Company can not assume responsibility for its contents nor for keeping it current.

5. 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.

6. As contemplated earlier in this policy, Financial Analysts' reports shall not be posted on or linked from the Company's website without the consent of the CEO.

7. The Company may from time to time give earnings guidance or any other Forward-Looking Statements through voluntary disclosure by way of a news release, provided that the cautionary language described in Section IV.6 accompanies the information.

## **XV. DISCLOSURE RECORD**

1. The Disclosure Committee shall maintain a disclosure record. This consists of a three-year file containing all public information about the Company available in respect of the Company, including continuous disclosure documents (including, without limitation, the Annual Report, the Annual Information Form, Notice and Management Proxy Circular, Quarterly Reports to Shareholders and Material Change Reports, if any), press releases issued by the Company and transcripts, videos and tape recordings of Meetings.

## **XVI. DISSEMINATION, EDUCATION AND ENFORCEMENT**

1. This Disclosure Policy shall be circulated to all directors, officers, relevant service providers including those of Universal Mineral Services Ltd. ("UMS"), and employees of the Company. This Disclosure Policy shall be shared with all new joiners to the Company and the Disclosure Committee shall endeavour to ensure that all employees are aware of the existence of the Disclosure Policy, its importance and the Company's expectation that employees shall comply with the Disclosure Policy.

2. On a periodic basis thereafter, all directors, officers, employees and service providers will be requested to certify their compliance with this Disclosure Policy by confirming their compliance with the Code of Business Conduct and Ethics to which this Disclosure Policy is incorporated by reference.

3. Any officer, director, employee or service provider who violates this Disclosure Policy may face disciplinary action up to and including termination of his or her employment with the Company. The violation of this Disclosure Policy may also violate certain securities laws. If it appears that an officer or employee may have violated such securities laws, the Company may refer the matter to outside counsel for possible involvement with law enforcement.

## **XVII. TRADING RESTRICTIONS AND BLACKOUT PERIODS**

1. It is illegal for certain persons, including directors, officers, employees and insiders of a public company, to purchase or sell securities of the public company with knowledge of MNPI affecting that company that has not been publicly disclosed. Therefore, directors, officers, employees and other insiders with knowledge of MNPI about the Company, counterparties in negotiations with the Company involving potential material transactions, and financial and other professional advisors, are prohibited from trading securities of the Company or any such counterparty (as well as other securities the value of which might be affected by changes in the price of securities of the Company or any such counterparty) until the information has been fully disclosed and a reasonable period of time (for MNPI this is typically two days) has passed for the information to be widely disseminated. The CFO alone or in consultation with the Disclosure Committee or the Board of Directors from time to time may impose blackout periods in accordance with the Insider Trading Policy, during which time directors, officers and employees of the Company may not trade in the Company's securities, which will be communicated to affected individuals by email or other communication considered appropriate by the Disclosure Committee.

2. All directors, officers, employees, service providers and insiders of the Company should review and comply with the Company's Insider Trading Policy as made available to them and as posted on the Company's website.

\* \* \* \* \*

Should any person subject to this Disclosure Policy have any questions or wish information concerning the above, please contact the Disclosure Policy Administrator/s (who, at the date hereof, shall be the Chief Executive Officer and the Chief Financial Officer).

This Disclosure Policy is intended as a component of the governance framework within which the Company's Board of Directors, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles, it is not intended to establish any predetermined legal outcomes.

## SCHEDULE A

### Individuals and Entities to Whom this Policy Applies

This Policy applies to Contractors, Directors, Employees, Officers, Persons in a Special Relationship with the Company, and Reporting Insiders.

**“Contractors”** means independent contractors (who are engaged in an employee-like capacity) of the Company or any of its subsidiaries;

**“Directors”** means directors of the Board for the Company;

**“Employees”** means full-time, part-time, contract or secondment employees of the Company or any of its subsidiaries;

**“Officers”** means officers of the Company or any of its subsidiaries;

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

1. Directors, Officers, Employees and employees of Universal Mineral Services Ltd who are seconded to or engaged in work on behalf of the Company;
2. >10% Shareholders;
3. directors, officers, employees and contractors of >10% Shareholders;
4. members of an operating or advisory committee of the Company or any of its subsidiaries;
5. directors, officers, partners and employees of a company, partnership or joint venture that is engaging in any business or professional activity with the Company or any of its subsidiaries and who routinely comes into contact with Material Information;
6. persons or companies 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. spouses, live-in partners or relatives of any of the individuals referred to in (1) through (6) who reside in the same household as that individual;

**“reporting insider”** means an insider of a reporting issuer if the insider is

(a) the CEO, CFO, CGO, Exploration Manager or COO of the reporting issuer, of a significant shareholder of the reporting issuer or of a major subsidiary of the reporting issuer;

(b) a director of the reporting issuer, of a significant shareholder of the reporting issuer or of a major subsidiary of the reporting issuer;

(c) a person or company responsible for a principal business unit, division or function of the reporting issuer;



- (d) a significant shareholder of the reporting issuer;
- (e) a significant shareholder based on post-conversion beneficial ownership of the reporting issuer's securities and the CEO, CFO, CGO, Exploration Manager, COO and every director of the significant shareholder based on post-conversion beneficial ownership;
- (f) Insiders of Universal Mineral Services Ltd.;
- (g) an individual performing functions similar to the functions performed by any of the insiders described in paragraphs (a) to (f); (h) the reporting issuer 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
- (i) any other insider that (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer 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 reporting issuer;

**“significant shareholder”** means a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of an issuer carrying more than 10 per cent of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution;

A company is considered to be a **“Subsidiary”** of another company if it is controlled by (1) that other company, (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.

## **SCHEDULE B**

### **Examples of Information that may be Material** (Based on National Policy 51-201)

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

- changes in share ownership that may affect control of the Company
- changes in corporate structure, such as reorganizations, amalgamations, or mergers, or a change of name
- 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
- changes to the Board or executive management, including the departure of the company's Chairman, CEO, CFO (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)

#### **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**

#### **4) Communications and disclosures to Partnership or Joint Venture parties**

## **SCHEDULE D**

### **Other Definitions**

**"influential person"** means, in respect of a responsible issuer,

- (a) a control person,
- (b) a promoter,
- (c) an insider who is not a director or officer of the responsible issuer, or
- (d) an investment fund manager, if the responsible issuer is an investment fund;

### **Liability for secondary market disclosure**

Where a responsible issuer or a person with actual, implied or apparent authority to act on behalf of a responsible issuer releases a document that contains a misrepresentation, a person who acquires or disposes of the issuer's security during the period between the time when the document was released and the time when the misrepresentation contained in the document was publicly corrected has, without regard to whether the person relied on the misrepresentation, a right of action for damages against

- (a) the responsible issuer,
- (b) each director of the responsible issuer at the time the document was released,
- (c) each officer of the responsible issuer who authorized, permitted or acquiesced in the release of the document,
- (d) each influential person, and each director and officer of an influential person, who knowingly influenced
  - (i) the responsible issuer or any person acting on behalf of the responsible issuer to release the document, or
  - (ii) a director or officer of the responsible issuer to authorize, permit or acquiesce in the release of the document, and
- (e) each expert where
  - (i) the misrepresentation is also contained in a report, statement or opinion made by the expert,
  - (ii) the document includes, summarizes or quotes from the report, statement or opinion of the expert, and
  - (iii) if the document was released by a person other than the expert, the expert consented in writing to the use of the report, statement or opinion in the document.

**"material change"** means,

- (a) if used in relation to an issuer other than an investment fund,
  - (i) a change in the business, operations or capital of the issuer that would reasonably be expected to have a significant effect on the market price or value of a security of the issuer, or

(ii) a decision to implement a change referred to in subparagraph (i) made by

A) the directors of the issuer, or

B) senior management of the issuer who believe that confirmation of the decision by the directors is probable,

**"material fact"** means,

(a) when used in relation to a security issued or proposed to be issued, a fact that would reasonably be expected to have a significant effect on the market price or value of the security, and

(b) when used in relation to a derivative, a fact that would reasonably be expected to have a significant effect on the market price or value of, or obligations under, the derivative;

**"misrepresentation"** means

(a) an untrue statement of a material fact, or

(b) an omission to state a material fact that is

(i) required to be stated, or

(ii) necessary to prevent a statement that is made from being false or misleading in the circumstances in which it was made;