



NORTHERN VERTEX  
MINING CORP

# **CORPORATE GOVERNANCE MANUAL**



## CORPORATE GOVERNANCE MANUAL

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## MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "Board") of Northern Vertex Mining Corp. ("Northern Vertex" or the "Company") is responsible for the management of the business of the Company consistent with the powers and obligations under the Business Corporations Act (British Columbia) (the "Act") and other statutory and legal requirements generally applicable to directors of a business that is a reporting issuer for securities purposes in Canada and is listed on the TSX Venture Exchange.

Under the Act, the directors of the Company (the "Directors") are required to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board believes that it has a responsibility to maximize shareholder value and to oversee the management of the Company, which is conducted under the supervision of the Chief Executive Officer ("CEO") of the Company.

The Board carries out its responsibilities directly and through its committees. The Board has the following stewardship responsibilities.

### **Governance**

The Board, either directly or through the compensation, corporate governance and nominating committee, establishes and oversees all corporate governance policies, and reviews and monitors the corporate governance practices and disclosure policies for the Company.

The Board has approved a disclosure and trading policy and a code of business conduct and ethics to which all Directors, officers and employees of the Company are bound.

The Board believes that it is the function of executive management, led by the CEO, to speak for the Company in its communications with shareholders, the investment community, regulatory authorities, the media and any other interested parties. It is understood that other individual Directors may, from time to time, be requested by management to assist with such communications.

The Board approves the content of the Company's major communications to shareholders and the public.

### **Strategic Planning and Development**

The Board approves and monitors the implementation of the Company's strategic plans and long term goals and objectives, as prepared and presented by the CEO with support from executive management. Such plans include the identification and assessment of risks, with provisions to manage and mitigate those risks, as well as strategies for each entity in which the Company has a significant ownership interest. These plans may also include specific steps and performance indicators that enable the Board to evaluate progress on implementing such strategies.

The Board approves and monitors annual capital and operating plans and budgets to implement the Company's business strategies, together with key financial and other performance goals for the Company's activities, as prepared and presented by the CEO with support from executive management.

The Board regularly reviews corporate performance and progress towards these plans and performs an in-depth review of these strategic plans on at least an annual basis. Any material revisions to the plans are to be approved by the Board.

The Board expects executive management to keep the Board informed of all significant developments regarding these strategic plans in a timely and candid manner.



### **Financial Planning and Capital Structure Oversight**

The Board advises management on appropriate financing strategies in accordance with the Company's strategic plan. The Board mandates that the financing of projects and working capital requirements recognizes a capital structure to reflect an appropriate level of risk, while managing the cost of capital, in order to maximize shareholder value. The Board will consider both internal and external factors, including economic and market conditions, in carrying out its role.

### **Monitoring and Internal Controls**

The audit committee reviews and reports to the board that the financial performance of the Company is reported according to statutory and legal requirements and that financial results are reported fairly and in accordance with generally accepted accounting standards or such other accounting standards as may be applicable to the Company from time to time. The audit committee also reviews the financial performance and reporting of the Company and assesses the integrity of the Company's financial reporting, internal controls and management information systems.

The Board and the audit committee review and monitor the Company's financial risks and risk management policies, and the financial structure of the Company, the audit committee making recommendations to the Board as appropriate.

### **Executive Management Oversight and Succession Planning**

The Board regularly considers the integrity, quality and continuity of management required to achieve the Company's goals. The Board has adopted a mandate for the CEO (see "Mandate for the Chief Executive Officer" which sets out the scope for that position). The CEO mandate will be reviewed from time to time by the Board.

The Board, under the guidance of the committee responsible for compensation, approves the employment terms of executive management and corporate officers, and is responsible for developing and maintaining an executive management succession plan, including an emergency CEO succession plan.

On an annual basis, the compensation committee measures executive management performance, development and total compensation against the objectives set and makes recommendations to the Board in that regard.

All Directors have open access to the Company's executive management.

**Renewed as of: February 20, 2019**



## **BOARD PRACTICES AND TERMS OF REFERENCE**

### **Board Committees**

The Board establishes and dissolves committees at its discretion in accordance with the ongoing needs of the Company. However, at all times there will be an audit committee, and a compensation, corporate governance and nominating committee.

Each of the audit committee, and the compensation, corporate governance and nominating committees, must be comprised of three or more Directors, with independence in accordance with applicable securities and stock exchange rules and the exceptions and relief provided therein.

Each committee operates under a written mandate, approved by the Board, which sets out its authority, composition, duties and responsibilities. The responsibilities of the Board may be delegated from time to time to committees of the Board on such terms as the Board may consider appropriate and subject to the provision of statutory and legal requirements.

### **Board Composition and Effectiveness**

Through its growth, the Company will strive to attain a majority of Directors on the Board that are unrelated and independent as defined by applicable securities and stock exchange rules. The Board assesses the independence of each Director on an annual basis. Directors have an ongoing obligation to inform the governance committee of any material changes in their circumstances or relationships that may affect the Board's determination as to their independence.

The Board has adopted a position description for a Chairman; see "Mandate for the Chairman of the Board", which sets out the duties and responsibilities for that position. This position description will be reviewed from time to time. Through the Company's growth, the Company shall endeavour to separate the role of Chairman and CEO with the goal of having a Chairman who is an unrelated, independent Director of the Company.

Under the guidance of the nominating committee, the Board establishes the competencies and skills the Board considers to be necessary for the Board as a whole, each existing Director, and new nominees to the Board. The Board considers the appropriate size of the Board, under the guidance of the nominating committee, on an annual basis, with a view to facilitating effective decision making.

The Board is responsible for the establishment and oversight of the performance of its committees and the appointment of members to serve on such committees. The nominating committee, in conjunction with the Chairman of the Board, will recommend Board members for appointment to the committees of the Board.

### **Director Orientation and Education**

The nominating committee identifies candidates for Board membership, and makes recommendations to the Board for nomination as directors to the Board, based on their character, integrity, judgment and record of achievement and any other qualifications which would add to the Board's decision making process and enhance the overall management of the Company's business.

The Board has an informal process for the orientation of new Board members regarding the role of the Board, its committees and Directors, and the nature of operation of the Company's operations. New Directors meet with executive management and incumbent Directors and are provided with written materials to aid in their familiarization with the Company.

Directors are made aware of their responsibility to keep themselves up to date with best director and corporate governance practices and are encouraged and funded to attend seminars that will increase their own and the Board's effectiveness.



## **Conflict of Interest**

A perceived conflict of interest may arise if a Director, or a member of his/her immediate family or household, has a material Interest or relationship with a supplier or competitor of the Company, or if a Director engages in any business, personal or other activity, directly or indirectly, which may be construed as being in conflict with Company's interests, or which may, or may appear to, compromise the Director's ability to act impartially on behalf of the Company.

In addition to adhering to the Company's Code of Business Conduct and Ethics, individual Directors must continually monitor their activities and interests; when an actual, potential, or potentially perceived conflict of interest arises, must immediately advise the Company's audit committee Chairperson, Chairperson of the Board, or the Board as a whole. The audit committee Chairperson, Chairperson of the Board, or the Board, as applicable, shall make a determination as to whether a conflict exists and what subsequent action, if any, is appropriate. The audit committee Chairperson or Chairperson of the Board shall immediately inform the Board of such determination and action. The Board shall retain the right to modify or reverse such determination and action.

Each Director shall ensure that all filed regulatory documents contain full disclosure regarding all his/her director and officer positions held and all other relevant information required by the applicable securities regulatory authorities.

## **Meetings**

The Board meets at least on a quarterly basis and holds additional meetings as required or appropriate to deal with ongoing corporate matters or long term strategic planning. Any Director may request that a meeting of the Board take place, such requests being made to the Chairman who shall make the determination as to whether or not the requested meeting is to be held.

The Chairman and CEO, in consultation, will set the agenda for each board meeting, with the assistance of or by delegation to the Corporate Secretary. Any Director may request additional items for inclusion on the agenda for a scheduled quarterly Board meeting.

The Board prefers that all Directors attend all scheduled quarterly meetings in person wherever feasible. If unable to attend in person, a Director may attend a meeting via telephone or other agreed electronic means. Attendance at meetings will be recorded in the minutes of the meetings.

The Board is to receive regular quarterly reports on the financial results and significant business activities of the Company, as well as appropriate documentation regarding matters for Board approval, in a timely manner in advance of Board meetings in order to ensure effectiveness of action at such meetings.

The Board may also take action from time to time by unanimous written consent resolutions.

The Board, and its committees, to the extent permissible under each committee's written mandate, has the authority to retain legal, accounting and other consultants to advise it. The Board may request any officer or employee of the Company, or its outside counsel or auditors, to attend any meeting of the Board or to meet with any members of, or consultants to the Board.

**Renewed as of: February 20, 2019**



## MANDATE FOR THE CHAIRMAN OF THE BOARD

### General

This position description describes the appointment, role and responsibilities of the individual serving as the Chairman of the Board (the "Chairman") of Northern Vertex Mining Corp. ("Northern Vertex").

### Office of the Chairman

The Chairman shall be a director who is designated by the full board of directors of Northern Vertex (the "Board") to act as the leader of the Board. The Chairman will be selected from amongst the directors of Northern Vertex (the "Directors") who have a sufficient level of experience with corporate governance issues 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 general meeting of shareholders of Northern Vertex.

### Responsibilities of the Chairman

The following are the responsibilities of the Chairman. The Chairman may delegate or share, where appropriate, certain of these responsibilities with any committee of the Board established for such purposes from time to time:

- 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:
  - that the responsibilities of the Board are well understood by both management and the Board;
  - that the Board works as a cohesive team with open communication;
  - that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
- managing the Board, including:
  - scheduling meetings of the Board;
  - coordinating with the Chairmen of the committees of the Board to schedule meetings of the committees;
  - reviewing items of importance for consideration by the Board;
  - all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to manage or supervise the management of the business and affairs of Northern Vertex;
  - preparing the agenda of the Board meetings together with;
  - meeting material is distributed in a timely manner before each meeting 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;
- meetings are appropriate in terms of frequency, length and content;
- where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;
- together with the governance, compensation and nominating committee, have a succession planning process in place to appoint senior members of management when necessary;
- Acting as liaison between the Board and management so that relationships between the Board and management are conducted in a professional and constructive manner; and
- At the request of the Board, representing Northern Vertex to external groups such as shareholders and other stakeholders.



### **Information Flow to the Board**

The Chairman, together with the Chief Executive Officer of Northern Vertex (the "CEO") and any applicable Board committee, will ensure the delivery of information to Directors on a timely basis to keep the Directors fully apprised of all matters which are material to Directors at all times. The Chairman will work together with the CEO to ensure that information requested by any Director is provided and meets the needs of that Director.

### **Stewardship**

The Chairman will assist the Board in discharging its stewardship function, which includes:

- satisfying itself as to the integrity of the senior officers of Northern Vertex and creating a culture of integrity throughout the organization;
- strategic planning;
- identifying and managing risks;
- succession planning;
- internal control and management information systems; and
- together with the CEO, create an understanding amongst the Board, committees of the Board, individual Directors and senior management of Northern Vertex so they can discharge their duties and obligations under Northern Vertex 's system of corporate governance.

**Renewed as of: February 20, 2019**





## MANDATE FOR THE CHIEF EXECUTIVE OFFICER ("CEO")

The chief executive officer ("CEO") of Northern Vertex Mining Corp. ("Northern Vertex" or the "Company") provides the leadership of the Company and, subject to approved policies and direction by the board of directors of the Company (the "Board"), manages the business and affairs of the Company. The CEO is accountable to the Board for the achievement of corporate objectives, within specified executive limitations and in accordance with Company and governance policies and procedures.

The CEO is responsible for:

- formulating the Company's strategic plans and long term goals and objectives for the approval of the Board. Such plans should include strategies for each entity in which the Company has a significant ownership interest, and the identification and assessment of risks and provisions to manage and mitigate these risks. These plans should include specific steps and performance indicators which will enable the Board to evaluate progress on implementing such strategies;
- proposing to the Board for approval annual capital and operating plans and budgets to implement the Company's business strategies, together with key financial and other performance goals for the Company's activities. The CEO reports regularly to the Board on the progress against these goals and is governed by the Investment Policy as set out by the Board;
- keeping the Board fully informed of the Company's progress towards the achievement of the Company's goals and objectives, and of all material deviations from the goals or objectives, and policies established by the Board, in a timely and candid manner;
- managing the operations of the business in accordance with the strategic direction set by the Board and within operational policies as determined by the Board, in relation to the conduct of the business;
- ensuring that the Board is aware of relevant trends, anticipated media and analyst coverage, material external or internal changes, and any changes in the assumptions upon which any Board decision or approval has previously been made. The CEO must report to the Board, in a timely and candid manner, any actual or anticipated non-compliance with any Board approved policy or decision;
- providing the Board with information, both internal and external, that the Board may require in order to make fully informed decisions regarding the operation of the Company;
- making him/herself available to participate in Board Committee meetings and activities;
- executive leadership and overall day to day management of the Company. The CEO is responsible for the implementation of policies, directives and resolutions adopted by the Board and senior management from time to time;
- together with the Company's Chief Financial Officer, establishing and maintaining disclosure controls and procedures, and internal controls and procedures, for financial reporting appropriate to ensure the accuracy and integrity of the Company's financial reporting and public disclosures in accordance with all regulatory, statutory and legal requirements;
- effectively articulating management's vision to the Board, as management's representative on the Board and, conversely, effectively articulating the Board's vision and decisions to management and employees;
- advising the Board if, in the CEO's opinion, the Board, or one of its directors, is not in compliance with its own policies, or legal and/or regulatory requirements;



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- communicating effectively with managers and employees and promoting a sense of participation in, and commitment to the organization. The CEO is expected to be accessible and collaborative;
- fostering, understanding, and reflecting the culture and goals of the Company;
- effectively and accurately representing the Company to its shareholders and stakeholders, including investment and financial communities, local community groups, governments, organizations, customers, suppliers, and the public;
- immediately advise the Board of any takeover offer - or pending takeover offer - by another Company and to conduct him or herself in such a manner as to ensure that the interest of the Shareholders are put first;
- prepare reports and develop contingency plans for any hostile takeover, once launched; and
- act in the best interest of the Corporation at all times and at the direction of the Board.

**Renewed as of: February 20, 2019**



## AUDIT COMMITTEE CHARTER

### Mandate

The primary mandate of the audit committee (the "Committee") is to assist the Board of Directors 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 of Directors.

### Composition

- The Committee shall be comprised of at least three directors as determined by the Board of Directors, the majority of whom shall not be management or control parties as prescribed by the rules of the TSX Venture Exchange.
- All members of the committee must be financially literate. "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 elected by the Board of Directors on an annual basis. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

### Meetings

- The Audit Committee will meet at least four times a year. Special meetings may be called by the chair of the Audit Committee as required.
- Quorum for a meeting of the Audit Committee will be a majority of the members in attendance.
- Members may attend meetings of the Audit Committee by teleconference, videoconference, or by similar communication equipment by means of which all persons participating in the meeting can communicate with each other.
- The Audit Committee Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to Audit Committee members for members to have a reasonable time to review the materials prior to the meeting.
- The Company's auditors will be advised of the names of the members of the Audit Committee and will receive notice of and be invited to attend meetings of the Audit Committee and to be heard at those meetings on matters related to the Auditor's duties.
- Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee. Minutes of each meeting must be distributed to members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the external auditor.



## **DUTIES AND RESPONSIBILITIES**

To fulfill its responsibilities and duties, the Committee shall:

### **A. External Auditors**

- Ensure the external auditors report directly to the Committee.
- Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- Obtain written confirmation from the external auditor that they are objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs.
- Set the compensation to be paid to the external auditors and recommend such payment to the Board of Directors.
- Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- Review with management and the external auditors, prior to the annual audit, the terms of the external auditors' engagement letter.
- 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.
- Review with the management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- Review and pre-approve all audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. 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.

### **B. Financial Statements and Financial Information**

- Review and discuss with management and the external auditor the annual audited financial statements of the Company and recommend their approval by the Board of Directors.
- Review and discuss with management the quarterly financial statements of the Company, and recommend their approval by the Board of Directors.
- Review and if appropriate, recommend to the Board of Directors for approval the financial content of the annual report.
- Review the Company's management discussion and analysis, earnings guidance press releases, annual and interim earnings press releases, and audit committee reports before the Company publicly discloses this information.

### **C. Financial Reporting Processes**

- In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles applied in its financial reporting.
- Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- Review significant judgments and estimates made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments and estimates.
- Review the process for the certification of financial statements by the Chief Executive Officer and Chief Financial Officer.
- Review any significant disagreement among management and the external auditors regarding financial reporting.
- Review and consider any significant reports and recommendations issued by the external auditor, together with



management's response, and the extent to which recommendations made by the external auditors have been implemented.

**D. Other**

- Review the Company's insurance, including Directors and Officers coverage, and provide recommendations to the Board or Directors.
- Establish procedures for:
  - The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
  - The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
  - Confidential reporting pursuant to the Whistle Blower Policy.

**Authority**

The Committee may:

- Engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- Set and pay the compensation for any advisors employed by the Committee; and
- Communicate directly with the internal and external auditors.

The Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

**Renewed as of: February 20, 2019**



## COMPENSATION, CORPORATE GOVERNANCE & NOMINATING COMMITTEE CHARTER

### Purpose

The purpose of the Compensation, Corporate Governance & Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) is to:

(a) assist the Board in monitoring, reviewing and approving compensation policies and practices of the Company and administering the Company’s equity-based compensation plans; and

(b) (i) develop and monitor the effectiveness of the Company’s system of corporate governance; (ii) establish procedures for the identification of new nominees to the Board and lead the candidate selection process; (iii) develop and implement orientation procedures for new directors; (iv) assess the effectiveness of directors, the Board and the various committees of the Board; (v) ensure appropriate corporate governance and the proper delineation of the roles, duties and responsibilities of management, the Board, and its committees.

### Duties and Responsibilities - Compensation

The Committee’s duties and responsibilities shall include:

- Reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for directors, officers and employees of the Company.
- Reviewing and making recommendations to the Board with respect to the corporate goals and objectives relevant to the compensation of the CEO and recommending to the Board the compensation level of the CEO based on the annual performance of the CEO in light of those goals and objectives.
- Reviewing and making recommendations to the Board with respect to the compensation programs of all other senior executive officers of the Company, as recommended by the CEO.
- Reviewing and making recommendations to the Board with respect to the awards under the Company’s equity-based compensation plans.
- Reviewing and making recommendations to the Board with respect to remuneration to be paid to directors.
- Overseeing the execution and delivery of all approved compensation related matters including the granting of equity-based compensation.
- Reviewing and approving the annual disclosure relating to executive compensation contained in the Management Information Circular of the Company.
- Reporting regularly to the Board
- Reviewing and assessing its Mandate and recommending any proposed changes to the Board.
- Evaluating the functioning of the Committee on an annual basis.

### Duties and Responsibilities – Corporate Governance & Nominating

- To develop and recommend to the Board a set of corporate governance principles applicable to the Company, and to review those principles at least once a year. This requires the Committee to stay abreast of corporate governance developments and to respond to applicable corporate governance guidelines and rules.
- To oversee the evaluation of the Board, committees of the Board and the contribution of individual directors.
- To report on corporate governance matters as required by public disclosure requirements.
- To ensure that appropriate processes are established by the Board to: (a) oversee strategic direction and development and review ongoing results of operations; (b) to oversee the Company’s investor relations and public relations activities and to ensure that procedures are in place for the effective monitoring of the shareholder base, receipt of shareholder feedback and response to shareholder concerns.
- To assist the Board in its annual review of and any applicable revisions to the written objectives of the CEO and guidance for the development of corporate strategy.
- To ensure that an effective CEO succession plan is in place, including emergency succession. To assist the Board in assessing and evaluating CEO performance.



- To establish procedures for meetings of the Board and to otherwise ensure that processes, procedures and structures are in place to ensure that the Board functions independently of management and without conflicts of interest.
- To review the proposed quarterly agenda for, and provide recommendations as to, additional topics for discussion at meetings of the Board.
- To assist in the proper delineation of the roles, duties and responsibilities of management and the Board and delegation of authority by the Board to its committees and to management.

#### **Establishment of Policies**

- To review and approve strategic corporate policies, such as disclosure policies, insider trading policies, confidentiality policies and corporate codes of conduct, conflict of interest policies and other relevant policies associated with ensuring an effective system of corporate governance.

#### **Nominating Directors**

- To identify and recommend candidates qualified to become directors.
- In identifying and recommending candidates, the Committee shall take into consideration such factors as it deems appropriate, including judgment, skill, diversity, experience with businesses and other organizations of comparable size and the need for particular expertise on the Board.
- To determine whether candidates are "unrelated" or "independent" under applicable securities laws and applicable stock exchange rules.
- To recommend board members for appointment to committees of the Board.
- In recommending a candidate for committee membership, the Committee shall take into consideration the factors set forth in this Charter as well as any other factors it deems appropriate, including without limitation the consistency of the candidate's experience with the goals of the committee and the interplay of the candidate's experience with the experience of other committee members.
- In the event of a vacancy in the office of a director, the Committee shall recommend a candidate to fill such vacancy either through appointment by the Board or through election by the shareholders.
- To make recommendations to the Board from time to time as to changes that the Committee believes to be desirable to the size of the Board or any committee thereof.
- To maintain an orientation and educational program for new directors in order to familiarize new directors with the business of the Company, its management and professional advisors and its facilities.

#### **Membership**

- The Committee shall consist of three or more members of the Board.
- Any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs.
- The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.
- Proposed members of the Committee should have experience in corporate governance and/or human resources.

#### **Procedures**

- The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the "Chair"). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.
- The Chair will appoint a secretary (the "Secretary") who will keep minutes of all meetings of the Committee. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.



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- No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.
- The Committee will meet as many times as is necessary to carry out its responsibilities. The Chair or any two members may call meetings.
- The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the by-laws of the Company or otherwise determined by resolution of the Board.
- The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, search firms or other experts or consultants, as it deems appropriate.
- The Committee shall have access to any and all books and records of the Company necessary for the execution of the Committee's obligations and shall discuss with the CEO or the Chief Financial Officer such records and other matters considered appropriate.

**Renewed as of: February 20, 2019**





## TECHNICAL, HEALTH, ENVIRONMENT, SAFETY AND STEERING COMMITTEE CHARTER

### 1. Purpose of the Technical, Health, Environment, Safety and Steering Committee (“THESS Committee”)

The THESS Committee is established by the Board of Directors (the “**Board**”) of Northern Vertex Mining Corp. (the “**Company**” or “**Northern Vertex**”). Its role is to establish a governance and reporting framework in respect of safety, health, environment, technical matters and the Moss Project (the “**Moss Project**”) and assess and review the Company’s mergers and acquisitions strategy (“**M&A Strategy**”). It will also regularly assess and review the progress of work programs and make recommendations on any Project (as defined below) matters for the Board’s consideration with the aim of:

- operating the Moss Project, and any future Project, in accordance with the Company’s development strategy, budget and applicable schedule;
- aligning the Moss Project, and any future Project, with the Company’s business principles and processes; and
- providing guidance to the Board on safety, healthy, environmental, technical, financing, permitting, and community/stakeholder engagement aspects of the Moss Project and any future Project.

With regards to the M&A Strategy, responsibilities include;

- strategic and technical considerations, and development strategy as part of potential acquisitions; and
- project development considerations of completed acquisitions (“**Acquired Projects**”, together with the Moss Project, the “**Projects**”), in line with the objectives envisaged for the Moss Project.

### 2. Membership

The Board will be responsible for appointing qualified representatives to the THESS Committee. Upon formation and on an annual basis, the Board shall review and approve the existence and composition of the THESS Committee.

The THESS Committee shall have at least five members. Subject to the terms of the Investor Rights Agreement between Greenstone Resources II L.P. (“**Greenstone**”) and the Company dated May 25, 2017, Greenstone shall be entitled to appoint 2 of the 5 members of the SHET-PS Committee. Maverix Metals Inc., while it continues to have a director on the board of the Company, shall be entitled to appoint one member of the THESS Committee. The Chairman of the THESS Committee will be the CEO of Northern Vertex.

The THESS Committee may appoint such advisors to the Committee as the Chairman may deem prudent and invite such guests to attend Committee meetings as may be prudent. In addition, each Committee member shall be entitled to bring one guest to any meeting.

### 3. Meetings

#### *Meeting Interval*

The THESS Committee shall, unless the THESS Committee determines a shorter interval, meet once each calendar month.

#### *Location*

The THESS Committee Chairman shall determine the most suitable location for the next meeting at the conclusion of each meeting.



### ***Notice***

The Chairman of the THESS Committee shall provide adequate and reasonable notice of the meeting date and time to all members of the THESS Committee prior to each meeting. An agenda and information materials will also be circulated by the Chairman not less than 48 hours prior to each meeting.

### ***Minutes & Reporting to the Board***

The THESS Committee shall maintain minutes or other records of meetings and activities of the THESS Committee in sufficient detail to convey the substance of all discussions held.

### ***Attendance of Non-Members***

With the consent of the Chairman, the THESS Committee may invite any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out responsibilities. For greater certainty, any individuals who are not members of the THESS Committee and that attend the THESS Committee meetings shall do so solely in the capacity of observers and shall not have the capacity to make recommendations on behalf of the THESS Committee.

### ***Functioning of THESS Committee***

The THESS Committee shall have reasonable access to Company personnel and documents and the resources necessary to carry out its responsibilities.

### ***Quorum***

Quorum for meetings of the THESS Committee shall be at least two nominees from the Company (not including Greenstone nominees) and two nominees from Greenstone.

### ***Resolutions of THESS Committee***

Resolutions of a meeting of the THESS Committee shall be adopted on the basis of mutual consensus. In case of failing which resolutions shall be adopted on the basis of a simple majority of at least more than half of the number of legally cast votes in the meeting by members. All resolutions of the THESS Committee shall be in the form of recommendations to the Board.

The THESS Committee may also adopt valid resolutions without convening a meeting provided that all of the members of the THESS Committee have been informed in writing regarding the relevant proposals and all members of the THESS Committee have given their approval to the proposals being submitted as evidenced by their signed written approval. All written resolutions of the THESS Committee shall be in the form of recommendations to the Board.

## **4. Duties and Responsibilities**

The THESS Committee will assess and review safety, health, environmental, technical, financing, permitting, and community/stakeholder aspects related to the development of the companies Projects. The role of the THESS Committee is to identify Project risks and opportunities and make recommendations on these matters for the Board's consideration. The THESS Committee will be flexible and adapt to changing requirements as Projects progress through key milestones including feasibility completion, permitting, construction financing, construction, commissioning and operations phases. The THESS Committee will make recommendations on matters including, but not limited to:



- the overall development strategy in order to maximize value for shareholders whilst ensuring any Project is developed in accordance with a credible financing plan;
- monitor performance against target cost, schedule, technical and HSE and project controls through formal monthly reviews;
- matters which may or will require further approvals from the Board such as capital overruns and major contract awards;
- material changes to the approved scopes, cost and/or schedule when risk or opportunity events occur;
- the permitting plans and progress in respect of material permits, including any material communication received from government or permitting agencies in respect of key permits and approvals;
- overall technical and HSE performance including system implementation and review of material incidents (high potential risk incidents, lost time injuries and reportable environmental incidents);
- stakeholder management and progress against key elements of the stakeholder plan;
- the execution plan including contracting strategy, detailed permitting register, controls/reporting, critical path, control budget and use of contingency;
- the staffing plan, cognisant of the operational phase of the project; and
- financing plans and strategy including equity, debt, royalty or off-take financing.

#### **5. No Rights Created**

This Charter is a statement of broad policies and its intended as a component of the flexible governance framework within which the THESS Committee makes recommendations to the Board. 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 legally binding obligations on the Company's board of directors or otherwise.

**Renewed as of: February 20, 2019**



## CODE OF BUSINESS CONDUCT AND ETHICS

### Introduction

Northern Vertex requires high standards of professional and ethical conduct from its directors, officers, and employees. Northern Vertex's reputation with its shareholders and prospective investors for honesty and integrity is key to the success of the Company.

Reference in this Code of Business Ethics and Conduct (the "**Code**") to "Northern Vertex" or the "Company", means Northern Vertex Mining Corp. Reference to "employees", means all directors, officers, employees and senior managers of affiliates of Northern Vertex, and where appropriate, contractors and subcontractors of the Company and its affiliates.

This Code is intended to document the principles of conduct of ethics to be followed by all Northern Vertex employees. This Code reflects the Company's commitments to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all employees are expected to comply.

In addition to following this Code in all aspects of their business activities, employees are expected to seek guidance in any case where there is a question about the compliance with both, the letter and the spirit of the Company's policies and applicable laws. This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees of the Company. Violation of the law, the Company's governance policies or this Code is grounds for disciplinary action up to and including, but without limitation, immediate termination of employment or directorship.

### Compliance with Law

Compliance with the letters and the spirit of all laws, rules and regulations applicable to the Company is critical to the Company's reputation and continued success. All employees must at all times respect and obey the law and should avoid any situation that could be perceived as improper, unethical or indicate a casual attitude towards compliance with the law. No employee shall commit or condone an illegal act or instruct another employee to do so. Not all employees are expected to know the details of all laws, but it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

### Conflicts of Interest

A conflict of interest occurs when an individual's private interest interferes, or appears to interfere, in any way with the interests of the Company or any of its affiliates. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her work for the Company or any affiliate objectively and effectively. Conflicts of interest also arise when an employee, or a member of his or her family, receives improper benefits as a result of his or her position in the Company or its affiliates.

Loans to, or guarantees of obligations of, such persons are likely to pose conflicts of interest, as are transactions of any kind between the Company or its affiliates and any other organization in which an employee or employee's family member has an interest.

Activities that could give rise to conflicts of interest are prohibited unless specifically approved by the Board of Directors of Northern Vertex. It is not always easy to determine whether a conflict of interest exists; therefore, an employee should immediately report any potential conflict of interest to the Company's CEO and Audit Committee Chairman.

### Corporate Opportunities

Employees are prohibited from taking for themselves personally opportunities that arise through the use of corporate property, information or position of personal gain. Employees are also prohibited from competing with the Company



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and its affiliates directly or indirectly. Employees owe a duty to the Company and its affiliates to advance the legitimate interests of the Company and its affiliates when the opportunity to do so arises.

### **Confidentiality**

Employees must maintain the confidentiality of all information entrusted to them by the Company or that otherwise comes into their possession in the course of their employment, except when disclosure is authorized by the Chief Executive Officer of the Company or legally mandated. Confidential information, such as personal employee information, must be used for authorized purposes only and in accordance with applicable legislation.

Confidential information includes all non-public information that may be of use to competitors, or harmful to the Company or its customers or business partners, if disclosed. It also includes information that others have entrusted to the Company and employees.

The obligation to preserve confidential information continues even after the employees leave the Company or its affiliates.

### **Protection and Proper Use of Company Assets**

All employees should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's success. Any suspected incidents of fraud or theft should be immediately reported for investigation.

Company assets, such as funds, products or computers may only be used for legitimate business purposes or other purposes approved by management. Company assets must never be used for illegal purposes.

The obligation to protect the Company's assets includes proprietary information. Proprietary information includes any information that is not generally known to the public or would be helpful to the Company's competitors. Examples of proprietary information include intellectual property, business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data or reports.

Unauthorized use or distribution of this information is a violation of Company policy. It may also be illegal and may result in civil and criminal penalties.

The obligation to preserve proprietary information continues even after an employee leaves the Company or its affiliates.

### **Integrity of Records and Financial Reports**

Honest and accurate recording and reporting of information is critical to the Company's financial reporting obligations as a public company and the ability to make responsible business decisions. All transactions must be supported by accurate documentation in reasonable detail and properly recorded. All Company's books, records, accounts and financial statements must be maintained in reasonable detail, must truthfully, accurately and appropriately reflect the Company's transactions and must conform to applicable legal and accounting requirements and to the Company's system of internal controls. Depending on their position within the Company, employees may be called upon to provide necessary information to ensure that the Company's public reports are complete and accurate.

Business records and communications may become public through legal or regulatory disclosures or investigations or the media. In all communications, including emails, informal notes, or internal memos, employees should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies.

### **Insider Trading**

Employees who have access to confidential information are not permitted to use or share that information for stock



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trading purposes or for any other purpose except the conduct of the business of the Company. All non-public information about the Company and its affiliates should be considered confidential. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is unethical and illegal.

The Company is committed to compliance with all applicable laws, rules, and regulations, including laws and regulations applicable to the Company's securities and trading in such securities, as well as any rules promulgated by any exchange on which the Company's shares are listed or quoted for trading.

Company Personnel are referred to the Company's *Blackout & Securities Trading Policy*.

### **Fair Dealing**

The principle of fair competition is basic to all of the Company's operations. Northern Vertex seeks competitive advantages through fair and honest means and superior performance, never through unethical or illegal business practices. Each employee should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. When dealing with suppliers and other third parties, the Company:

- prohibits employees from accepting any bribe, kickback, or improper payment from anyone;
- requires clear and precise communication in the Company's contracts, its advertising, its Literature, and its other public statements and seeks to eliminate misstatements of fact or misleading impressions; and
- prohibits employees from otherwise taking unfair advantage of the Company's suppliers, or other third parties, through manipulation, concealment, abuse of privileged information or any other unfair-dealing practice.

### **Discrimination and Harassment**

Northern Vertex values the diversity of its employees and is committed to providing equal opportunity in all aspects of employment. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. Employees are encouraged to speak out when a co-worker's conduct makes them uncomfortable. Any employee who believes that he or she has been subjected to sexual or other harassment should immediately advise their supervisor or, in instances in which they feel uncomfortable approaching their supervisor, discuss their concern with another manager.

### **Safety and Health**

Both the Company and its employees are responsible for maintaining a safe and healthy workplace by following safety and health rules and practices. The Company is committed to keeping its workplaces free from hazards. Employees should report any accidents, injuries, unsafe equipment, practices or conditions immediately to a supervisor or other designated person.

Threats or acts of violence or physical intimidation are prohibited

In order to protect the safety of all employees, employees must report to work in condition to perform their duties and free from the influence of any substance that could prevent them from conducting work activities safely and effectively.



### **Use of E-Mail, Internet and Telephone Services**

E-mail, internet and telephone services provided by the Company must never be used for personal gain or any improper purpose. Sending or downloading information that could be insulting or offensive to another person is forbidden. Such information includes sexually explicit material or jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as harassment.

Employees should not download copyrighted materials, should not copy material that is not licensed to the Company and should follow the terms of a license when using material that is licensed to the Company. No changes should be made to licensed materials without the prior consent of the Company. Employees are discouraged from downloading any material commonly known to be sources of viruses, such as screensavers and games.

E-mail messages, voicemail messages, and computer information are considered the Company's property and an employee should not have any expectation of privacy.

### **Political Activities and Contributions**

Northern Vertex respects and supports the right of its employees to participate in political activities. However, these activities should not be conducted on Company time or involve the use of any Company resources such as telephones, computers or supplies. Employees who participate in political activities must make every effort to ensure that they do not leave the impression that they speak or act for the Company. Employees will not be reimbursed for personal political contributions.

The Company will not make any direct financial donations or contributions to political parties or candidates during election campaigns.

Authorized spokespersons may occasionally express the Company's views on local and national issues that affect the Company's operations. In such cases, Company funds and resources may be used, but only when permitted by law and by any guidelines set by the Board of Directors.

### **Dealing with Public Officials**

Employees are prohibited from offering or soliciting gifts, payments or other benefits to or from a public official as inducement to procuring or keeping business or having law or regulation enacted, defeated or violated.

When not prohibited by law, employees are allowed to give public officials gifts but only if such gifts are presented in a manner that clearly identifies the Company and the occasion warrants the presentation. All such gifts shall be of reasonable value. On special historic or ceremonial occasions, senior officers of the Company may publicly give gifts of more than nominal value to public institutions and public bodies. All gifts intended for public officials or institutions must be approved in advance by the Chairman of the Board and CEO with details of such gifts provided to the CFO for reporting purposes.

These guidelines apply at all times, and do not change during traditional gift-giving seasons.

From time to time, employees may entertain public officials, with courtesies such as meals and beverages, tickets to sporting or cultural events, but only under the following conditions:

- it is legal and permitted by the entity represented by the official;
- the entertainment is not solicited by the public official;
- the entertainment occurs infrequently;
- it arises out of the ordinary course of business;
- it cannot be construed as a bribe or payoff;
- it does not involve lavish expenditures, considering the circumstances; and
- the settings and types of entertainment are reasonable, appropriate and fitting to employees, their guests and the business at hand.



## **Gifts and Entertainment**

The Company acknowledges that business gifts and entertainment are customary to developing and maintaining good business relationships among business partners. Such courtesies include meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, travel, accommodation and other merchandise or services.

Even though such gifts and entertainment are customary, such courtesies cannot compromise, or appear to compromise, the ability to make objective and fair business decisions. Therefore, offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship must be avoided. These guidelines apply at all times, and do not change during traditional gift-giving seasons.

Employees are prohibited from soliciting gifts, entertainment, gratuities, or any other personal benefit or favor of any kind from current or potential suppliers or business partners.

No gift or entertainment should ever be offered, given, provided or accepted by any employee of the Company, or by any family member of an employee, unless it:

- is not a cash gift;
- is consistent with customary business practices;
- involves reasonable expenditures not excessive in value;
- cannot be construed as a bribe or payoff;
- does not violate any applicable laws or regulations.

Unsolicited entertainment may only take place in settings that are reasonable, appropriate and fitting to employees, their hosts, and the business at hand.

In some international or traditional cultures, it is customary to give unsolicited or overly generous gifts to employees, the return of which may be construed as an affront to the giver. In such cases, the gift must be reported to both the Company's CEO and CFO who will, together, determine whether or not the gift will be retained and whether or not the gift will be transferred to the ownership of the Company.

Employees should discuss with their supervisor any gifts or proposed gifts if they are uncertain whether they are appropriate.

## **Use of Agents**

Agents or other non-employees cannot be used to circumvent the law. Employees will not retain agents or other representatives to engage in practices that run contrary to this Code.

## **Compliance and Reporting of any Illegal or Unethical Behavior/Whistle Blower Policy**

Employees are required to report all potential or perceived breaches of this Code. If a situation requires that an employee's identity be kept secret, the company will protect anonymity. The Company will strive to ensure that all questions or concerns are handled fairly, discreetly and thoroughly.

If an applicable individual has any concerns about accounting, audit, internal controls or financial reporting matters which he or she considers to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The company has adopted a Whistle Blower Policy that allows an employee to put concerns in writing on a confidential basis.





Please see the Company's *Whistle Blower Policy*.

This Code is not intended to address all of the situations an employee may encounter. Since all situations cannot be anticipated, an employee may be confronted by circumstances not referred to in this Code. Employees are encouraged to use best judgment and common sense. Good intentions and failure to seek timely advice or report a situation will not excuse violations of this code. If something seems unethical or improper it probably is.

### **Policy against Retaliation**

The Company prohibits any employee from retaliating or taking adverse action against anyone for raising suspected conduct violations or helping to resolve a conduct concern. Any individual who has been found to have engaged in retaliation against an employee for raising, in good faith, a conduct concern or for participating in the investigation of such a concern may be subject to discipline, up to and including termination of employment or other business relationship. If any individual believes that he or she has been subject to such retaliation, that person is encouraged to report the situation as soon as possible to the Audit Committee Chairman, in accordance with provisions of this Code.

### **Relationship to Other Policies**

All Company policies apply to employees. If such person is a director, applicable corporate law and any guidelines of the Board of Directors in force from time to time will guide him or her procedurally in his or her position as a director. In addition, if such person is a member of a committee of the Board of Directors, the applicable committee charter(s) should guide his or her conduct in carrying out his or her duties on such committee. In the event of any conflict between such policies and this Code, the terms of this Code shall govern.

### **No Rights Created**

This Code is a statement of fundamental principles and key policies and procedures that govern the conduct of the Company's business. It is not intended to and does not, in any way, constitute an employment contract or an assurance of continued employment or create any rights in any employee, director, client, supplier, competitor, shareholder or any other person or entity.

### **Waivers of this Code**

Waivers of this Code may be made only by the Board of Directors. Any such waiver will be promptly disclosed to the extent required by applicable laws or stock exchange regulations.

The CEO shall be responsible to ensure that all employees are made aware of this Code on an annual basis. All directors, officers, project managers, and general managers of the Company and its subsidiaries are required to sign an acknowledgement of adherence to this Code. (*See Appendix A*).

**Renewed as of: February 20, 2019**



**APPENDIX A**

**CODE OF BUSINESS CONDUCT AND ETHICS ACKNOWLEDGEMENT**

I hereby certify that:

I have reviewed and understand Northern Vertex's (the "Company ") Code of Business Conduct and Ethics.

I am in compliance with the Company's Code of Business Conduct and Ethics.

I have reported to the Chairman of the Audit Committee any relationship or other circumstance that does or could put me in conflict with the interests of the Company, and will do so if any such circumstance or relationship arises in the future.

I have no knowledge of the occurrence of any practice that was not in compliance with the Company's Code of Business Conduct and Ethics that was not reported to the Chairman of the Audit Committee.

I am aware of the Code of Business Conduct and Ethics ongoing requirements to advise the Chairman of the Audit Committee immediately of any violations of policies and procedures outlined in our Code of Business Conduct and Ethics.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



## WHISTLE BLOWER POLICY

### Scope of the Whistle Blower Policy

The Whistle Blower Policy allows for the confidential, anonymous submission by employees of the Company and its subsidiaries and affiliates of any concerns, which applicable individuals may have regarding violations or perceived violations of the Code that the company has adopted. This Policy is approved by the Board of Directors and administered by the Audit Committee.

The Audit Committee of the board of directors of Northern Vertex is responsible under Canadian securities laws for the integrity of the financial reporting of the Company and for the system of internal controls, the audit process and monitoring compliance with the financial reporting laws applicable to the Company. The integrity of the financial information of the Company is of paramount importance to the Audit Committee and to the board of directors.

Multilateral Instrument 52-110 - Audit Committees ("MI 52-110") has outlined certain aspects of audit committee responsibility and the Audit Committee understands the importance of the responsibilities described in MI 52-110 and intends to be in compliance with such responsibilities to the extent practicable given the nature and stage of the Company's business. One such responsibility relates to the implementation of procedures for addressing complaints regarding questionable accounting or auditing matters.

### Procedure for Reporting Concerns

Applicable individuals are encouraged to submit all good faith concerns and complaints in respect of the Code including but not limited to the accuracy and integrity of the Company's accounting, auditing and financial reporting or internal controls and concerns, without fear of retaliation of any kind.

The applicable individual should report the matter to the Chairman of the Audit Committee, by e-mail at [auditchair@northernvertex.com](mailto:auditchair@northernvertex.com). The applicable individual should describe his or her concern in writing and should include sufficient information to allow the Audit Committee to understand and review the written concern.

If fraud is suspected a written report should be included in the form of the attached Fraud Reporting Form, please see **Appendix A – Fraud Reporting Form**).

If the applicable individual wishes to remain anonymous, the written communication should clearly indicate this wish for anonymity. All concerns should be forwarded to the Chairman of the Audit Committee, in a sealed envelope labeled as follows: "To be opened by the Audit Committee only."

If the applicable individual wishes to discuss any matter with the Audit Committee, this request should be indicated in the submission. In order to facilitate such a discussion, the applicable individual may include a telephone number at which he or she can be contacted. Any such envelopes received by the Company or its subsidiaries and affiliate will be forwarded promptly and unopened to the Audit Committee Chairman.

### Investigations

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

The Audit Committee has the authority to:

- a. conduct any investigation which it considers appropriate, and has direct access to the external auditor of the Company, as well as officers and employees of the Company and its subsidiaries and affiliates, as applicable;
- b. determine who should perform any investigation procedures including any external party; and
- c. retain, at the Company's expense, special legal, accounting or such other advisors, consultants or experts it deems necessary in the performance of its duties.



In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the anonymity of the applicable individual.

### **Records**

The Audit Committee will retain as part of its records, any complaints or concerns for a period of no less than seven years. The Audit Committee will keep a written record of all such reports or inquiries and make quarterly reports to the board of directors on any ongoing investigation, which will include steps taken to satisfactorily address each complaint.

### **Employee Protection**

All employees are assured that no retaliation of any kind is permitted against the applicable individual for complaints or concerns made in good faith. No employee will be adversely affected because the employee refuses to carry out a directive, which, in fact, constitutes corporate fraud, or is a violation of federal or provincial law.

### **Questions about this Policy**

Questions regarding the policy may be directed to the Audit Committee Chairman or any other member of the Audit Committee.

**Renewed as of: February 20, 2019**



**APPENDIX A**

**FRAUD REPORTING FORM**

Concerned Company: \_\_\_\_\_

Where incident occurred: \_\_\_\_\_

Date of incident (and/or date incident was discovered): \_\_\_\_\_

When (over what period of time) incident occurred: \_\_\_\_\_

Nature/Type of incident (i.e. accounting/audit irregularities, falsification of company records, fraud, kickbacks, theft of cash, theft of time, theft of goods/service, etc):

\_\_\_\_\_  
\_\_\_\_\_

Source of information leading to investigation, including name of person, if appropriate (i.e. employee or customer, complaint, anonymous source, discovery of theft, financial analytics, etc.):

\_\_\_\_\_  
\_\_\_\_\_

Name and job title of person or persons believed to be involved in incident and the basis for such belief:

\_\_\_\_\_  
\_\_\_\_\_

Detail how the incident is believed to have occurred:

\_\_\_\_\_  
\_\_\_\_\_

Where money or other valuable assets are involved, estimate the suspected loss:

\_\_\_\_\_  
\_\_\_\_\_

Summarize any other relevant information including whether incident resulted from breakdown in internal controls:

\_\_\_\_\_  
\_\_\_\_\_

Prepared by \_\_\_\_\_

Date \_\_\_\_\_

*Attach Additional Sheets if Necessary*

\_\_\_\_\_

## DISCLOSURE POLICY

### 1. Purpose of This Policy

The purpose of this disclosure and trading policy (the "Policy") of Northern Vertex Mining Corp. ("Northern Vertex" or the "Company") is to set out certain policies to ensure that:

- the Company complies with its timely disclosure obligations as required under applicable exchange rules, Canadian and any other applicable securities laws;
- the Company prevents the selective disclosure of Material Information (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 relates to the business and affairs of the Company do not contain a misrepresentation (as defined herein); and
- all appropriate parties who have Undisclosed Material Information (as defined herein) are prohibited from trading in securities of the Company and from Tipping (as defined herein).
- all persons to whom this Policy applies will exercise their powers and discharge their duties and will act honestly and in good faith with a view to the best interests of the Company.

### 2. Application of This Policy

This Policy applies to the groups of persons set out in attached Appendix "A" attached. If the application of any section of the Policy is limited to certain groups of persons, that section will describe which groups of persons are subject to that section. Otherwise, this Policy applies to persons in all of the groups set out in *Appendix "A"*.

### 3. Disclosure Committee

#### 3.1 Structure of the Disclosure Committee

The board of directors of the Company is acting as the disclosure committee (the "Disclosure Committee") and is responsible for implementing this Policy. Notwithstanding the foregoing, the composition of the Disclosure Committee may change from time to time. The Disclosure Committee may adopt disclosure controls and procedures in addition to those set out in this Policy.

#### 3.2 Mandate of the Disclosure Committee

The Disclosure Committee will have the responsibility to:

- evaluate the necessity of making public disclosures;
- review and approve, before it is Generally Disclosed (as defined herein), each Document (as defined) 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;
- review and approve the guidelines and procedures to be distributed to appropriate management and other Company personnel designed to gather the information required to be disclosed in Core Documents (as defined herein);
- establish timelines for the preparation of Core Documents, which timelines will include critical dates and deadlines during the disclosure process relating to the preparation of drafts, the circulation of drafts to appropriate Company personnel, the Company's independent auditors, and the Chairman of the appropriate Committee, the receipt of comments and the review of the comments by the Disclosure Committee.

Such timelines should allow for circulation of draft Core Documents to such persons sufficiently in advance of the applicable filing deadline in order to enable such persons to review carefully the filing and discuss any questions and comments related thereto;



- make determinations about whether:
  - a material change (as defined below) has occurred;
  - selective disclosure has been or might be made; or
  - a misrepresentation has been made;
- 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 provide reasonable assurance that information required to be disclosed by the Company in its Documents is recorded, processed, summarized and reported within the specified time periods;
- 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;
- in its discretion, conduct interim evaluations of the Company's disclosure controls and procedures in the event of a significant change in securities regulatory requirements, Canadian GAAP or other applicable accounting standards, legal or other regulatory policies, or stock exchange requirements, or if it otherwise considers such evaluations appropriate;
- educate the Directors, Officers, Employees and Contractors about the matters contemplated by this Policy;
- monitor the effectiveness of, and compliance with, this Policy and report to the Audit Committee 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 disclosures made in Documents, and recommend any necessary changes to this Policy;
- annually review and reassess the adequacy of this Policy and, if necessary, recommend any changes to the Chief Executive Officer and the Chief Financial Officer for approval such that it complies with changing requirements and best practices;
- accumulate information which may be required to be reported upon or disclosed and communicated to the executive officers of the Company to allow the Company to meet its disclosure obligations on a timely basis; and
- if requested by the Board, report to the Chief Executive Officer and the Chief Financial Officer prior to such officers executing their certifications related to the Company's financial statements or other Core Documents, as applicable, or prior to filing Core Documents on SEDAR if no certification is required, setting out the evaluation, findings and conclusions of the Disclosure Committee regarding the effectiveness of the Company's disclosure controls and procedures and the Disclosure Committee's assessment of the quality of the disclosures made in the Company's Core Documents.

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

The Disclosure Committee will meet every quarter as part of the Company's regularly scheduled Board Meetings, or as circumstances dictate and minutes of such meetings will be maintained by the Corporate Secretary of the Company. 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. 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 of directors will apply to the Disclosure Committee. A majority of the members of the Disclosure Committee present in person or by conference call at the time a meeting is convened will constitute a quorum for all purposes. The Disclosure Committee may also approve any matter by unanimous consent resolution executed by all members of the Disclosure Committee, in lieu of a meeting.

### **3.4 Consulting Outside Advisors**

The Disclosure Committee may consult with the Company's legal counsel and other appropriate expert advisers 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 following individuals ("**Spokespersons**") are authorized to make public oral statements or initiate contacts with analysts, the media and investors. As well, only the Spokespersons are authorized to respond to analysts, the media and investors on behalf of the Company and only with respect to the areas noted opposite their names. The list may be changed by the Disclosure Committee from time to time.

<b>Spokesperson</b>	<b>Area</b>
Chief Executive Officer	All Areas
Executive Chairman	All Areas
Chief Financial Officer	Financial Areas
General Manager - Moss Project	Moss Project
Others	At the discretion of the CEO

- 4.2 If you are not a Spokesperson and are approached by the media, an analyst, investor or any other member of the public to comment on the business and affairs of the Company, you must refer all inquiries to the Chief Executive Officer and immediately notify the Chief Executive Officer that the approach was made.
- 4.3 A Spokesperson may, from time to time, designate in writing (1) other Directors or Officers, or (2) with the approval of the Disclosure Committee, any other person (including Employees), to speak on behalf of the Company as back-ups or to respond to specific inquiries. The Spokesperson will advise the Chief Executive Officer that such a designation has been made prior to such designee speaking on the Company's behalf.

#### 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 a written communication, including a communication prepared and transmitted in electronic form:
- that is required to be filed with the British Columbia Securities Commission ("BCSC") or any other applicable Canadian securities commission on the System for Electronic Document Analysis and Retrieval ("SEDAR ") web site at [www.sedar.com](http://www.sedar.com) or otherwise;
  - that is not required to be filed with the BCSC or any other applicable Canadian securities commission and that is so filed;
  - that is filed or required to be filed with a government or an agency of a government under applicable securities or corporate law or with any stock exchange or similar institution under its bylaws, rules or regulations; or
  - that is any other communication the content of which would reasonably be expected to affect 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 securities regulatory authorities distinguish 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 and/or filed with a securities regulatory authority, or filed on SEDAR, 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 which contains Material Information or any material change report must be reviewed and approved by the Chief Executive Officer and at least one other member of the Disclosure Committee, or such other person or persons as they may designate from time to time;
- any press release which contains financial information based on the Company's financial statements prior to the release thereof must be reviewed and approved by the Audit Committee;
- 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 will be obtained. In addition, the Disclosure Committee must be satisfied that:
  - 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
  - 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 Directors sufficiently in advance of the time they are to be filed or released to allow the Directors to review and comment on such documents.
- in the case of interim financial statements, annual financial statements and interim and annual MD&A, such documents must be reviewed and approved by the Audit Committee;
- of the board of directors of the Company in accordance with the Audit Committee Charter following approval of the Disclosure Committee and prior to submission to the board of directors as a whole; and
- the Company must comply with National Instrument 43-101 Standards of Disclosure for Mineral Projects as well as relevant exchange and applicable securities law standards.

**5.6** In the event that a Document contains any Forward-Looking Information (as defined below) this information must be specifically identified as such and must include: (a) meaningful cautionary language; (b) the material factors or assumptions that were used in drawing a conclusion or making a forecast or projection set out in the forward-looking information; (c) the Company's practice for updating Forward-Looking Information and (d) the material factors that could cause the actual results to differ materially from the conclusion, forecast or projection contained in the forward-looking information.



If the forward-looking information is contained in a public oral statement (as defined below), such public oral statement shall: (a) include a cautionary statement that to the effect that it contains forward-looking information; and (b) if applicable, identify a readily-available Document where additional information can be found with respect to the forward-looking information. A Document is considered readily available if it has been filed on SEDAR.

- 5.7 "Forward-Looking Information" means all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection. An example would be the discussion of trends and prospects for the Company in its MD&A.

## 6. Procedures Regarding Public Oral Statements

- 6.1 The procedures in this section apply to all Directors, Officers, Employees, Contractors, Spokespersons and any other person with actual or implied authority to make a public oral statement (as defined below).
- 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 known by the public whether by way of Generally Disclosure or otherwise (i.e. a presentation at an Investor conference. Examples include speeches, presentations, news conferences, interviews and discussions with analysts where the Company's business and affairs, prospectus 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; and
  - the Spokespersons must ensure that any public oral statements on behalf of the Company do not contain a misrepresentation and comply with this Policy.

## 7. Timely Disclosure of Material Information

- 7.1 "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 of directors or by senior management of the Company who believe that confirmation of the decision by the board of directors is probable.
- 7.2 Any person to whom this Policy applies who becomes aware of information that has the possibility of being Material Information must immediately disclose that information to the Chief Executive Officer or the Chief Financial Officer and the Chief Executive Officer or Chief Financial Officer will advise the Disclosure Committee. Appendix "B" attached lists examples of Material Information.
- 7.3 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, will:
- consider whether the 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; and
  - issue the news release and make the applicable filings;



- press releases disclosing Material Information will be transmitted to the stock exchange upon which securities of the company trade, relevant regulatory bodies and major news wire services that disseminate financial news to the financial press. Such press releases must be pre-cleared by Regulation Services if issued during trading hours.

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

- 8.1** Directors, Officers, Employees and Contractors must not discuss or post any information relating to the Company or its subsidiaries, if any, or trading in securities of the Company in Internet chat rooms, newsgroups or bulletin boards.
- 8.2** Directors, Officers, Employees and Contractors must advise the Chief Executive Officer if they are aware of any discussion of information regarding the Company in a chat room, newsgroup or bulletin board.

## **9. Rumors**

So long as it is clear that the Company was not the source of a market rumor, the Company will not comment, affirmatively or negatively, on rumors. This also applies to rumors on the Internet. Spokespersons will respond consistently to those rumors, saying "It is our policy not to comment on market rumors or speculation." If a relevant stock exchange or securities regulatory authority requests that the Company make a statement in response to a market rumor, 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.

## **10. Website**

- 10.1** The Chief Executive Officer is responsible for updating the Company's website and is responsible for monitoring all information placed on such website. All such information shall be dated when posted or modified.
- 10.2** All information on the Company's website will be retained for a period of time required by applicable law.
- 10.3** The Company's 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. Any inaccurate information must be promptly removed from the website and a correction must be posted.
- 10.4** If the Company is considering a distribution of its securities, the content of the website must be reviewed with the Company's legal counsel before and during the offering to ensure compliance with applicable securities laws.

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

- 11.1** "Undisclosed Material Information" of the Company is Material Information about the Company that has not been "Generally Disclosed", that is, disseminated to the public by way of a press release 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.
- 11.2** 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.
- 11.3** Undisclosed Material Information will not be disclosed to anyone except in the necessary course of business. The securities regulators have issued guidance on the circumstances in which disclosure may be 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. When in doubt if this Policy applies, 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. "Tipping", which refers to the disclosure of Undisclosed Material Information to third parties outside the necessary course of business, is prohibited.

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

- 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;
- confidential matters should not be discussed in places where the discussion may be overheard such as elevators, hallways, restaurants, airplanes or taxis;
- 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; and
- unnecessary copying of documents containing Undisclosed Material Information must be avoided and extra copies of documents must be removed from meeting rooms and work areas at the conclusion of the meeting and must be destroyed if no longer required.

## **12. Quiet Period**

Each period (1) beginning the last day of each fiscal quarter and each fiscal year, and (2) ending when the financial results for that quarter or year have been Generally Disclosed, will be a "Quiet Period". In addition, the Disclosure Committee may designate additional Quiet Periods from time to time. During a Quiet Period, Spokespersons must not provide any Forward-Looking Information relating to the business and affairs of the Company or any of its subsidiaries, including information relating to expected revenues, net income or profit, earnings per share, expenditure levels and other information commonly referred to as earnings guidance ("Earnings Guidance") or comments with respect to the financial results for the current fiscal quarter or current fiscal year. Notwithstanding these restrictions, the Company may Generally Disclose Forward-Looking Information during the Quiet Period when the Forward-Looking Information constitutes Undisclosed Material Information. During a Quiet Period, Spokespersons may respond to unsolicited inquiries about information either that is not Material Information or that has been Generally Disclosed.

## **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** If Undisclosed Material Information is inadvertently disclosed, the Disclosure Committee will take immediate steps to ensure that the information is Generally Disclosed and the Company will 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. The Company should also take immediate steps to ensure that a full public announcement is made.

## **14. Analyst Reports**

- 14.1** When reviewing analysts' reports, comments of Directors, Officers, Employees and Contractors must be limited to identifying and or pointing out inaccuracies of factual information that has been Generally Disclosed. No comfort or guidance will be expressed on the analysts' earnings models or earnings estimates and no attempt will be made to influence an analyst's opinion or conclusion.



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## **15. Commitment**

To demonstrate our determination and commitment to the purposes of this Policy, the Company asks each Contractor, Employee and Officer review this Policy periodically throughout the year. Take the opportunity to discuss with management any circumstances that may have arisen that could be a breach of this Policy.

**Renewed as of: February 20, 2019**

## APPENDIX A

### **INDIVIDUALS AND ENTITIES THAT THIS POLICY APPLIES TO**

**"Contractors"** mean independent contractors of the Company or any of its subsidiaries;

**"Directors"** mean directors of the Company or any of its subsidiaries;

**"Employees"** mean full-time, part-time, contract or secondment employees of the Company or any of its subsidiaries;

**"Insiders"** means:

1. Directors or Officers of the Company;
2. persons who beneficially own, and/or have control or direction over, directly or indirectly, more than 10% of the voting rights attached to all of the Company's outstanding voting securities of the Company ("10% Shareholders");
3. directors or Senior Officers of a subsidiary of the Company; or
4. directors or Senior Officers of 10% Shareholders;

**"Reporting Insider"** means an insider of the Company if the insider is:

1. the CEO, CFO or GM of the Company, of a significant shareholder of the Company or of a major subsidiary 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, GM 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 GM 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;

**"Officers"** mean officers of the Company or any of its subsidiaries;

**"Persons in a Special Relationship with the Company"** means a person who:

1. is an insider, affiliate or associate of:
  - a. the Company;
  - b. a person proposing a takeover bid; or
  - c. a person proposing business combination or to acquire a substantial portion of the Company's property;



2. is engaging or proposing to engage in any business or professional activity with or on behalf of the Company or a person described in 1(b) or (c);
3. is a director, officer or employee of:
  - a. the Company ; or
  - b. a person described in 1 (b), (c) or 2;
4. knows of a material fact or change acquired while in relationship set out in 1, 2 or 3; or
5. knows of a material fact or change acquired from:
  - a. a person in a special relationship under this paragraph or 1 to 4; and
  - b. knew or reasonably should have known of the special relationship

**"Senior Officers"** means:

1. the Chair, Vice-Chair, Chief Executive Officer, Chief Financial Officer, President, Vice-President, Corporate Secretary, Assistant Secretary, Treasurer, Assistant Treasurer and General Manager-Moss Project; 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

**"Subsidiary"** means:

A company is considered to be a "Subsidiary" of another company if (1) it is controlled by (a) that other company, (b) that other company and one or more companies, each of which is controlled by that other company, or (c) two or more companies, each of which is controlled by that other company; or (2) it is a subsidiary of a company that is a subsidiary of that other company. 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.



## **APPENDIX B**

### **EXAMPLES OF INFORMATION THAT MAY BE MATERIAL**

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

- changes in share ownership that may affect control of the Company
- changes in corporate structure such as capital 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 the Company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to the rights of security holders
- any acquisitions or dispositions of the Company's own securities

#### **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 of, or changes to, resources
- changes to the board of directors or executive management, including the departure of the Company's CEO, CFO or person in equivalent positions
- the commencement of, or developments in, material legal proceedings or regulatory matters
- 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
- any oral or written agreement to enter into any management contract, investor relations agreement, service agreement not in the normal course of business, or related party transaction, including a transaction involving non-arm's length parties

#### **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
- a reverse take-over, change of business or other material information relating to the business, operations or assets of a 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



## BLACKOUTS AND SECURITIES TRADING POLICY

The Company encourages all employees, officers and directors to become shareholders of the Company on a long-term investment basis. These individuals will from time to time become aware of corporate developments or plans or other information that may affect the value of the Company's securities before these developments, plans or information are made public. Trading securities of the Company while in possession of such information before it is generally disclosed (known as "**insider trading**"), or disclosing such information to third parties before it is generally disclosed (known as "**tipping**"), is against the law and may expose an individual to criminal prosecution or civil lawsuits. Such action will also result in a lack of confidence in the market for the Company's securities, harming both the Company and its shareholders. Accordingly, the Company has established this Policy to assist its employees, consultants, officers and directors in complying with the prohibitions against insider trading and tipping.

The procedures and restrictions set forth in this Policy are only a general framework to assist Company Personnel, as defined below, in ensuring that any purchase or sale of securities occurs without actual or perceived violation of applicable securities laws. Company Personnel have the ultimate responsibility for complying with applicable securities laws and should obtain additional guidance, including independent legal advice, as may be appropriate for their own circumstances.

The CEO may designate from time to time the Insider Trading Policy Administrator for the purpose of administering this Policy. In the event that no Insider Trading Policy Administrator is designated, the Corporate Secretary will fulfill this role.

### Application

#### *Persons who are Subject to this Policy*

The following persons are required to observe and comply with this Policy:

- a. all directors, officers and manager-level employees of the Company or its subsidiaries;
- b. any other person retained by or engaged in business of professional activity with or on behalf of the Company or any of its subsidiaries (such as a consultant, independent contractor or adviser);
- c. any family member, spouse or other person living in the household or a dependent child of any of the individuals referred to in subsection (a) and (b) above; and
- d. partnerships, trusts, corporations, RRSP's and similar entities over which any of the above-mentioned individuals exercise control or direction.

For the purposes of this Policy, the persons listed above are collectively referred to as "**Company Personnel**". Paragraphs (c) and (d) should be carefully reviewed by Company Personnel; those paragraphs have the effect of making various family members or holding companies or trusts of the persons referred to in paragraphs (a) and (b) subject to the Policy.

#### *Trades that are Subject to this Policy*

Under this Policy, all references to trading in securities of the Company include (i) any sale or purchase of securities of the Company, including the exercise of stock options granted under the Company's stock option plan and the acquisition of shares or any other securities pursuant to any Company benefit plan or arrangement, and (ii) any derivatives-based or other transaction or arrangement that would be required to be reported by insiders in accordance with applicable laws or regulations relating to derivatives or equity monetization transactions (including National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*).

### Inside Information

"Inside Information" means:



- a. 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 the securities of the Company (which includes any decision to implement such a change by the Board of Directors or by senior management who believe that confirmation of the decision by the Board of Directors is probable);
- b. 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; or
- c. any information which is not generally available to the public that a reasonable investor would be likely to consider important in deciding whether to buy, hold or sell securities of the Company,

in each case, which has not been generally disclosed. Examples of information that may constitute Inside Information are set out in Schedule A attached hereto. **It is the responsibility of any Company Personnel contemplating a trade in securities of the Company to determine prior to such trade whether he or she is aware of any information that constitutes Inside Information. If in doubt, the individual should consult with the Insider Trading Policy Administrator.**

#### **Prohibition Against Trading on Inside Information**

Company Personnel must not purchase, sell or otherwise trade securities of the Company with the knowledge of Inside Information until:

- a. one full business day has elapsed after the disclosure to the public of the Inside Information, whether by way of press release or a filing made with securities regulatory authorities; or
- b. the Inside Information ceases to be material (e.g. a potential transaction that was the subject of the information is abandoned, and either Company Personnel are so advised by the Insider Trading Policy Administrator or such abandonment has been generally disclosed).

In addition, Company Personnel must not make any trades in securities of the Company during the black-out periods described under the heading “Restrictions on Trading of Company Securities” below.

#### **Anti-hedging Policy – Prohibited and Limited Transactions**

Certain types of trades in securities of the Company by Company Personnel can raise particular concerns about potential breaches of applicable securities law or that the interests of the persons making the trade are not aligned with those of the Company. Company Personnel are therefore prohibited at any time, or are subject to pre-clearance in certain circumstances, from, directly or indirectly, undertaking any of the following activities, even if they do not possess material non-public information:

Speculating in securities of the Company. This may include:

- a. buying with the intention of quickly reselling such securities, or selling securities of the Company with the intention of quickly buying such securities (other than in connection with the acquisition and sale of shares issued under the Company’s stock option plan or any other Company benefit plan or arrangement);
- b. “put” or “call” options where you have the right to sell or purchase, respectively, a specific number of shares at a specific number of shares before a set date; and
- b. “short sales” which are transactions where you borrow shares and then sell them, with the intention of buying the shares at a later date at a lower price to replace the borrowed shares.

Hedging transactions. Hedging or monetization transactions can be accomplished through the use of various financial



instruments, including prepaid variable forwards, equity swaps, collars and exchange funds. Any person wishing to enter into such an arrangement or any other arrangement that is designed or would have the effect of hedging securities granted to or held by such person or that could reduce such person's economic risk with respect to their holdings, ownership or interest in or to securities of the Company, must first obtain written pre-clearance from the CEO, as described in "Restrictions on Trading of Company Securities - Exemptions" below. However, if any hedging transaction is considered a short-sale, it will be prohibited. In any event, no director or officer of the Company is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of any Company securities granted as compensation or held, directly or indirectly, by such director or officer.

Margin accounts and pledged securities. Securities held in a margin account or pledged as collateral can be sold without your consent in certain circumstances. This means that a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material non-public information. Consequently, any person wishing to enter into such an arrangement must first obtain written pre-clearance from the CEO, as described in "Restrictions on Trading of Company Securities - Exemptions" below.

Managed accounts. If you have a managed account (where another person has been given discretion or authority to trade without your prior approval), you should advise your broker or investment adviser not to trade in Company securities at any time without your prior approval. This restriction does not apply to investments in publicly available mutual funds.

## **Restrictions on Trading of Company Securities**

### ***Scheduled Black-out Periods***

Directors, officers and certain other Company Personnel who are designated by management from time to time shall not trade in securities of the Company:

- a. during the period commencing on the 45<sup>th</sup> day following each of the Company's first, second and third fiscal quarters and ending on after one full business day has elapsed following the date on which a press release has been issued in respect of the Company's interim financial statements; and
- b. during the period commencing on the 105<sup>th</sup> day following the Company's fiscal year end and ending on after one full business day has elapsed following the date on which a press release has been issued in respect of the Company's annual financial statements;

The trading restrictions described above (each a "**Black-Out Period**") also apply to the exercise of stock options granted under the Company's stock option plan and any other securities that may be acquired pursuant to any Company benefit plan or arrangement.

### ***Extraordinary Black-out Periods***

Additional Black-Out Periods may be prescribed from time to time by the CEO at any time at which it is determined there may be undisclosed Inside Information concerning the Company that makes it inappropriate for Company Personnel to be trading. In such circumstances, the Insider Trading Policy Administrator will issue a notice instructing these individuals not to trade in securities of the Company until further notice. This notice will contain a reminder that the fact that there is a restriction on trading may itself constitute inside information or information that may lead to rumours and must be kept confidential.

### ***Exemptions***

Individuals subject to a Black-Out Period who wish to trade Company securities may apply to the Insider Trading Policy Administrator for approval to trade securities of the Company during the Black-Out Period. Any such request should describe the nature of and reasons for the proposed trade. The CEO will consider such requests and the Insider Trading Policy Administrator will inform the requisitioning individual whether or not the proposed trade may be made. The



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requisitioning individual may not make any such trade until he or she has received the specific notification from the Insider Trading Policy Administrator that the trade has been approved.

### **Prohibition Against Tipping**

Company Personnel are prohibited from communicating Inside Information to any person outside the Company, unless: (i) disclosure is in the necessary course of the Company's business provided that the person receiving such information first enters into a confidentiality agreement in favour of the Company (which should contain, among other things, an acknowledgement by the recipient of the requirements of applicable securities laws relating to such recipient trading securities with knowledge of a material fact or material change in respect of the Company that has not been generally disclosed and to such recipient information another person or company such a material fact or material change) and the disclosure is made pursuant to the proper performance by such Company Personnel of his or her duties on behalf of the Company; (ii) disclosure is compelled by judicial process; or (iii) disclosure is expressly authorized by notification from the Insider Trading Policy Administrator.

Subject to the above, Inside Information is to be kept strictly confidential by all Company Personnel until after it has been generally disclosed. Discussing Inside Information within the hearing of, or leaving it exposed to, any person who has no need to know is to be avoided at all times. Company Personnel with knowledge of Inside Information shall not encourage any other person or company to trade in the securities of the Company, regardless of whether the Inside Information is specifically communicated to such person or company.

If any Company Personnel has any doubt with respect to whether any information is Inside Information or whether disclosure of Inside Information is in the necessary course of business, the individual is required to contact the Insider Trading Policy Administrator.

### **Securities of Other Companies**

In the course of the Company's business, Company Personnel may obtain information about another publicly traded company that has not been generally disclosed. Securities laws generally prohibit such Company Personnel from trading in securities of that other company while in possession of such information or communicating such information to another person. The restrictions set out in this Policy apply to all Company Personnel with respect to both trading in the securities of another company while in possession of such information, and communicating such information.

### **Reporting Requirements**

Certain persons related to the Company, including its directors, senior officers, persons who receive material information and direct its operations, persons who are responsible for a principal business unit and significant shareholders are "reporting insiders" under applicable securities laws. Reporting insiders are required to file reports with securities regulators of any direct or indirect beneficial ownership of, or control or direction over, securities of the Company and of any change in such ownership, control or direction.

It is the responsibility of each reporting insider (and not the Company) to comply with these reporting requirements, and reporting insiders are required to provide the Corporate Secretary of the Company with a copy of any insider report completed by the reporting insider concurrent with or in advance of its filing. The Company will assist any reporting insider in the preparation and filing of insider reports upon request.

### **Penalties and Civil Liabilities**

The applicable securities laws that impose insider trading and tipping prohibitions also impose substantial penalties and civil liability for any breach of those prohibitions, namely:

- (a) Criminal fines of up to \$5,000,000 and three times the profit made or loss avoided;
- (b) Prison sentence of up to five years less a day; and



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- (c) Civil liability of up to three times the profit made or loss avoided by reason of the contravention.

Where a company is found to have committed an offence, the directors, officers and supervisory Company Personnel of the company may be subject to the same or additional penalties.

**Enforcement**

It is a condition of the appointment, employment or engagement of all Company Personnel that they at all times abide by the standards, requirements and procedures set out in this Policy unless a written authorization to proceed otherwise is received from the Insider Trading Policy Administrator. Any such person who violates this Policy may face disciplinary action up to and including termination of his or her employment or appointment with or engagement by the Company without notice. The violation of this Policy may also violate certain securities laws. If it appears that a Company Personnel may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Should you have any questions or wish information concerning the above, please contact the CEO.

**Renewed as of: February 20, 2019**



## APPENDIX A

### COMMON EXAMPLES OF INSIDE INFORMATION

#### Common Examples of Inside Information

The following examples are not exhaustive.

- A. Proposed changes in capital structure including stock splits and stock dividends
- B. Proposed or pending financings
- C. Material increases or decreases in the amount of outstanding securities or indebtedness
- D. Proposed changes in corporate structure including amalgamations and reorganizations
- E. Proposed acquisitions of other companies including take-over bids or mergers
- F. Material acquisitions or dispositions of assets
- G. Material changes or developments in products or contracts which would materially affect earnings upwards or downwards
- H. Material changes in the business of the Company
- I. Changes in senior management or control of the Company
- J. Bankruptcy or receivership
- K. Changes in the Company's auditors
- L. the financial condition and results of operations of the Company
- M. indicated changes in revenues or earnings upwards or downwards of more than recent average size
- N. material legal proceedings
- O. defaults in material obligations
- P. proposed transactions with directors, officers or principal securityholders
- Q. proposed granting of options or payment of other compensation to directors or officers outside of the publicly disclosed compensation policy

## ADVANCE NOTICE POLICY

### Introduction

Northern Vertex Mining Corp. (the “Company”) is committed to: (i) facilitating an orderly and efficient process for holding annual general meetings or, where the need arises, special shareholder meetings; (ii) ensuring that shareholders receive adequate advance notice of director nominations and sufficient information with respect to all director nominees; and (iii) allowing shareholders to register an informed vote on director elections.

The purpose of this Advance Notice Policy (the “**Policy**”) is to provide shareholders, directors and management of Northern Vertex Mining Corp. with a clear framework for the nomination of directors. This Policy allows the Company to fix a deadline by which shareholders of Northern Vertex Mining Corp. must submit director nominations to the Company prior to any annual or applicable special meeting of shareholders and sets forth the information that a shareholder must provide to Northern Vertex Mining Corp. for its nomination to be eligible for election.

It is the position of the board of directors of Northern Vertex Mining Corp. (the “**Board**”) that this Policy is in the best interests of the Company, its shareholders, and other stakeholders. This Policy will be subject to an annual review by the Board, which shall revise the Policy if required to reflect changes by securities regulatory authorities or applicable stock exchanges and to address changes in industry standards from time to time as determined by the Board.

### Definitions

1. For purposes of this Policy:
  - (a) “**Applicable Securities Laws**” means, collectively, the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
  - (b) “**business day**” means any day other than Saturday, Sunday or any statutory holiday in the City of Vancouver, British Columbia.
  - (c) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by Northern Vertex Mining Corp. under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and

### Nominations of Directors

2. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of Northern Vertex Mining Corp. Nominations may be made at any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors. Nominations may be made only:
  - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders pursuant to a valid proposal made in accordance with the provisions of the British Columbia Business Corporations Act (the “**Act**”), or a requisition of the shareholders made in accordance with the provisions of the Act; or
  - (c) by any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the Notice Date (as defined below) and on the record date for notice at such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at





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such meeting; and (B) who complies with the notice procedures set forth below in this Policy.

3. In addition to any other requirements of applicable laws, for a nomination pursuant to this Policy to be valid, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of Northern Vertex Mining Corp., at its registered office of the Company (as set out in paragraph 7 hereof, in accordance with the provisions of this Policy).
4. To be timely, a Nominating Shareholder's notice to the Corporate Secretary of Northern Vertex Mining Corp., must be made not less than 30 nor more than 65 days prior to the date of the shareholders meeting; provided, however, that in the event that the meeting is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement (as defined below) of the date of the meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following such Notice Date.

In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

5. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of Northern Vertex Mining Corp. must set forth:
  - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
    - (i) the name, age, business address and residential address of the person;
    - (ii) the present principal occupation or employment of the person, and the principal occupation or employment of the person for the past five years;
    - (iii) the class or series and number of shares in the capital of Northern Vertex Mining Corp. which are controlled, or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
    - (iv) the amount and material terms of any other securities of Northern Vertex Mining Corp., including any options, warrants or convertible securities which are, directly or indirectly, controlled or directed or which are owned, beneficially or of record, by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
    - (v) a statement as to whether such person would be an "independent" director of Northern Vertex Mining Corp. (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110, *Audit Committees*, of the Canadian Securities Administrators, as such provisions may be amended from time to time), and the reasons and basis for such determination;
    - (vi) a statement that the person is not prohibited or disqualified from acting as a director of Northern Vertex Mining Corp. under the Act, Applicable Securities Laws or any other legislation; and
    - (vii) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
  - (b) the full particulars of any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of Northern Vertex Mining Corp. and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.



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Northern Vertex Mining Corp. may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of Northern Vertex Mining Corp. or that could be material to a reasonable shareholder's understanding of the independence and/or qualifications, or lack thereof, of such proposed nominee.

6. No person shall be eligible for election as a director of Northern Vertex Mining Corp. unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly brought before the meeting pursuant to the provisions of the Act or at the discretion of the Chairman of the meeting (the "**Chairman**"). The Chairman shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Policy and, if the Chairman determines that any proposed nomination is not in compliance with this Policy, to declare that such defective nomination shall be disregarded.
7. Notwithstanding any other provision of this Policy, notice given to the Corporate Secretary of Northern Vertex Mining Corp. pursuant to this Policy may only be given by personal delivery or facsimile transmission, and shall be deemed to have been given and made only at the time it is served by personal delivery, or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the registered office of Northern Vertex Mining Corp. as follows:

Northern Vertex Mining Corp.  
1650 – 1075 West Georgia  
Vancouver, BC V6E 3C9  
Attention: Christopher Park, Corporate  
Secretary  
Fax: 604.683.2249

provided that if such delivery or facsimile communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or facsimile communication shall be deemed to have been made on the subsequent day that is a business day.

8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

### **Governing Law**

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

### **Effective Date**

This Policy was approved and adopted by the Board on **February 20, 2019** and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date, provided that if this Policy is not ratified and approved by an ordinary resolution of shareholders of Northern Vertex Mining Corp. at Northern Vertex Mining Corp.'s next shareholder meeting following the effective date of this Policy, this Policy shall, from and after the date of such shareholder meeting, cease to be of any force and effect.