



Code of Ethics

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Where appropriate, the Code of Ethics of Falco Resources Ltd. (“Falco” or the “Corporation”) also applies to the directors of the Corporation as well as to any third party providing goods or services to the Corporation, and the term “employees”, when used herein, is, where appropriate, deemed to apply to such directors, as well as to any third party providing services or goods to the Corporation.

Any reference to Falco (or the Corporation) herein refers to Falco Resources Ltd. and, as applicable, its affiliated entities. For practical reasons, the masculine gender includes the feminine.

SUMMARY

Falco's Code of Ethics (the "**Code**") provides basic guidelines setting forth the ethical behavior expected from every employee of the Corporation with respect to the use of Corporation time and assets, protection of confidential information, conflicts of interest, trading in Falco's securities and other matters. Every Director and employee of Falco and its affiliated entities is subject to the Code and will be requested to sign a form acknowledging that he understands its contents and agrees to be bound by its provisions.

In summary, all employees must:

- Follow applicable laws and regulations wherever the Corporation does business;
- Work safely, in accordance with regulatory and other industry standards;
- Treat everyone fairly and equitably: customers, suppliers, other employees, Corporation stakeholders and third parties dealing with the Corporation;
- Refrain from speaking publicly on Corporation matters, unless authorized;
- Refrain from trading on, and "tipping" others on, confidential information;
- Respect the confidential nature of the information to which they may have access and refrain from sharing same, except on a need-to-know basis;
- Always perform their duties in the best interests of the Corporation;
- Avoid conflicts of interest, both real and perceived;
- Be honest and act with integrity strictly refraining from bribery or corruption activities;
- Handle Corporation assets with care and refrain from using same and Corporation time for personal purposes;
- Respect the right of all employees to fair treatment and equal opportunity;
- Respect the right of all employees to a working environment free from discrimination or harassment of any sort;
- Act in a respectful and professional manner with other employees;
- Refrain from inappropriately influencing the political process;
- Work in an environmentally responsible manner;
- Respect the cultures and rights of communities where the Corporation operates its business;
- Ensure that all transactions are handled honestly and recorded accurately; and
- Report any violation to this Code.

INTRODUCTION

It is the Corporation's policy and objective to maintain the highest standards of ethical business behaviour. Ethical behaviour in the performance of one's duties essentially comes down to being honest and fair in one's dealings with other employees, customers, suppliers, competitors, Corporation stakeholders and the public. No one in the Corporation, from the President and Chief Executive Officer to the hourly employee, is ever expected or authorized to commit an illegal or unethical act, or to allow, direct or encourage others to do so.

The Corporation's reputation for business integrity is one of its most valued assets; it was achieved and is maintained through the efforts of its employees and their avoidance of any activity or interest that might reflect unfavourably upon the Corporation's image or reputation, or their own. Every transaction of the Corporation must be able to withstand public scrutiny without risk of causing embarrassment to the Corporation, its employees and its stakeholders.

The guidelines and principles set forth herein have been established by management of the Corporation as a code of ethics to be observed by all directors and employees of the Corporation (the "employees"). They are applicable in all jurisdictions in which the Corporation conducts business, unless the laws of those jurisdictions require otherwise.

The Code was approved by the Corporation's Board of Directors and, thus, no officer or employee has the authority to allow exceptions to its provisions. Strict adherence to the Code is a condition of employment and any breach thereof will be cause for appropriate disciplinary action, which may include dismissal.

Whereas no single booklet can define every circumstance that might be considered improper and no list of do's and don'ts will address every potential situation in which employees may find themselves, the Code cannot be construed as a comprehensive document. Therefore, above all, employees are expected to use their common sense and good judgment in observing this Code.

Each employee must be vigilant in preventing fraud, bribery and corruption. Thus, should an employee have a concern regarding the application of the Code to a particular action, situation or transaction should promptly discuss the matter with his immediate supervisor. If the matter is not resolved through this discussion, the employee and the immediate supervisor are expected to raise the issue with higher levels of management or with the Corporation's Chief Financial Officer or the Vice-President, Legal Affairs and Corporate Secretary.

FALCO'S CODE OF ETHICS

Each employee with executive or managerial responsibilities is responsible for communicating the expectations contained in this Code to all employees under his supervision and obtaining their undertaking as to their awareness and compliance with this Code in the attached form of undertaking.

Policies adopted by the Corporation regarding specific subject matters relating to the Code will be distributed to all employees in a timely manner.

LAWS AND REGULATIONS

Compliance with Laws and Regulations

The Corporation's operations are subject to an important number of very complex and changing laws and regulations, and its employees must comply with same as well as various rules, policies and guidelines of regulatory authorities and governmental agencies wherever it does business. Each employee is reminded that the law takes precedence in cases where there may be a conflict between the law and traditional or industry practices.

Lobbying

Communication with a member of a government or legislature (be it federal, provincial, state, municipal, local or other level) may be considered lobbying. Lobbying is regulated in many countries where the Corporation does business. Certain jurisdictions require that the Corporation or its employees be formally registered prior to engaging in such activities, and relevant employee are all expected to comply with these requirements.

Consequently, prior to engaging in any such activities, an employee must contact the Vice-President, Legal Affairs and Corporate Secretary in order to ensure that the appropriate course of action is taken.

Dealing in Corporation's Securities

Securities and stock exchange laws and regulations are extremely strict regarding the use and selective disclosure of information that, if publicly disclosed, could have a significant impact on the market price or value of the Corporation's securities or affect any reasonable investor's investment decision.

Employees are prohibited from purchasing and selling Corporation shares or securities convertible into Corporation shares when they are in possession of material non public information concerning the business and affairs of the Corporation, and they are similarly prohibited from informing others about such information, except in the necessary course of business and were the other is under an obligation of confidentiality. Employees with access to financial information must not trade the tenth day preceding public disclosure of the financial results and the second trading day following the public disclosure of the financial results for a fiscal quarter or fiscal year end. For more

information on this subject and to see the specific rules applying to the purchase and sale of shares during sensitive periods of time, **please refer to the *Corporation's Securities Trading Policy***.

Fair Competition

The Corporation is committed to the principles of fair competition in the purchase and sale of products and services. All procurement decisions shall be based exclusively on normal commercial considerations, such as quality, price, availability, service, reputation and other factors bearing directly on the product, service or supplier. Customers and potential customers of the Corporation shall be provided with equal rights to make purchasing decisions based on the same competitive terms.

The Corporation will neither seek, encourage nor tolerate special favors or arrangements with suppliers or customers that impair, or give appearance of impairing, fair and unfettered commercial relationships. Under no circumstances is it acceptable to offer, give, solicit or receive any form of bribe, kickback, or inducement. In the same manner, the Corporation must avoid either the fact or the appearance of improperly influencing relationships with organizations or individuals with whom the Corporation deals in the course of its business.

Competitors' Information

From time to time, the Corporation gathers information about the industry in which it does business, including information about competitors. The Corporation is committed to gathering this information honestly and ethically; no employee should use improper means to obtain competitors' confidential business information.

DEALING WITH PUBLIC OR GOVERNMENT OFFICIALS

Anti-Bribery and Anti-Corruption

The Corporation promotes zero-tolerance against bribery and corruption and entrenches such fundamental principles in its corporate values.

Many countries, such as Canada and the United States, have passed legislation criminalizing bribery of government officials such as the *Corruption of Foreign Public Officials Act (Canada)*, the *Foreign Corrupt Practices Act (USA)* and other relevant local laws in the countries where the Corporation may carry on business activities. The sanctions for violating such laws can be acute and may include individual and corporate fines, as well as imprisonment.

The Corporation is determined to ensure compliance to anti-bribery and anti-corruption laws, principles and rules. All employees shall refrain from offering, giving or receiving, directly or indirectly, anything of value (ex.: money, gifts, entertainment, employment, contracts or advantages of any kind) or any other form of improper payments to a public or government official in order to influence a government action or obtain an improper advantage and shall not knowingly participate in any form of corrupt activity.

For example, “public or government officials” may include without limitation:

- a person who holds a legislative, administrative or judicial position of a foreign state;
- a person who performs public duties or functions for a foreign state, including a person employed by a board, commission, corporation or other body or authority that is established to perform a duty or function on behalf of the foreign state, or is performing such a duty or function; or
- an official or agent of a public international organization that is formed by two or more states or governments, or by two or more such public international organizations.

Employees who have questions regarding the requirements or application of these laws must seek guidance from the Chief Financial Officer or the Vice-President, Legal Affairs and Corporate Secretary of the Corporation. In some instances, the Corporation may be subject to government investigations. While the Corporation has a policy to cooperate fully with such investigations, no employee should readily respond on behalf of the Corporation to any regulatory authority or governmental agency unless he has had an opportunity to consult with the Chief Financial Officer or the Vice-President, Legal Affairs and Corporate Secretary and his supervisor, and has received appropriate guidance in that respect.

Gifts, Hospitality and Expenses

Employees shall not, either directly or through an intermediary, offer or provide gifts, hospitality or reimbursement of travel or other expenses to a public or government official, except with the prior approval of the Chief Financial Officer or in accordance with the Corporation’s Code. Employees may pay or reimburse reasonable meal expenses incurred in good faith by or on behalf of a public or government official related to the promotion, demonstration, or explanation of products or services of the Corporation or the execution or performance of a contract between the Corporation and the public official’s government or agency thereof without pre-approval of the Chief Financial Officer. Any such payment or reimbursement must at all times be in compliance with the Corporation’s Code, or any other related policy or guidelines.

In addition, employees must refrain from giving anything of value indirectly (for example, to a consultant, agent, intermediary, business partner or other third party) if such employee has reason to believe that it will be passed on to a government official or a private commercial partner to obtain an improper advantage. As such, all employees must take the necessary measures to:

- Ensure that the Corporation’s partners, such as consultants, representatives and agents, understand and will abide by the Code and more specifically by the provisions relating to anti-bribery and anti-corruption;
- Evaluate the qualifications and reputation of the Corporation’s partners (including the use of a due diligence review prior to entering into such a relationship); and

- Draft agreements and contracts that include such requirements to protect Falco. The Corporation will conduct a due diligence review on these matters prior to any decision to invest in another business – whether it is to acquire a business in whole or in part, or a joint venture arrangement.

The Chief Financial Officer is responsible for ensuring that any gift, hospitality and/or reimbursement of travel or other expenses ultimately provided to a third party, including a public or government official, is fully and accurately recorded in the Corporation's accounting records.

Facilitating Payments

Any request for a payment to be made by or on the behalf of the Corporation, to facilitate or secure a routine transaction (*i.e.* obtain permits, licenses or work orders to which the Corporation is already entitled) are considered to be at high-risk of constituting a bribe. Therefore, the Corporation prohibits facilitating payments.

ENVIRONMENT, HEALTH AND SAFETY

Occupational Health and Safety

The Corporation is committed to ensuring a healthy working environment and safe working conditions, equipment and work sites for its employees and promoting their involvement in preventing occupational injuries.

Protection of the Environment

The Corporation is committed to conducting its business in a manner that protects the environment, preserves resources and ensures sustainable development. It is continuously seeking to improve its environmental performance, in keeping with applicable law, regulations and guidelines.

Each employee is expected to be alert to environmental issues and has a responsibility to work in an environmentally responsible manner.

PUBLIC COMMUNICATIONS AND DISCLOSURE

Media Relations and Disclosure of Information

The Chair, President and Chief Executive Officer and the Chief Financial Officer are the only official spokespersons of the Corporation. Unless authorized by the President and Chief Executive Officer or the Chief Financial Officer, no employee may give his personal opinion, disclose confidential information or discuss matters pertaining to the Corporation to members of the news media and the public in general. Any inquiry or request for an interview must be referred to the President and Chief Executive Officer or the Chief Financial Officer.

No material undisclosed information related to the Corporation's business may be communicated to anyone until public disclosure of such information has been made to the general public, except to those who need to know said information in the necessary course of business and are under an obligation of confidentiality.

If any material information about the Corporation not yet disclosed to the public is inadvertently disclosed, employees aware of such disclosure shall contact the Vice-President, Legal Affairs and Corporate Secretary immediately so that the Corporation may promptly take corrective action.

CONFLICT OF INTEREST

Disclosure of Conflicts of Interest

In discharging their duties, employees must act honestly and in good faith with a view to the best interests of the Corporation. Employees must avoid situations involving a conflict between their personal interests and the interests of the Corporation. Actions taken and decisions made by any employee should be based on impartial and objective assessment of the facts in each situation, free from influence by gifts, favours and the like, which may adversely affect the employee's judgments.

The integrity and effectiveness of any employee is impaired when he has such a substantial personal interest in a transaction, or in a party to a transaction, that either his general duty of undivided loyalty to the Corporation or his independent judgment, or his decisions or actions taken on the Corporation's behalf might reasonably be expected to be adversely affected. Undisclosed interests or obligations in firms with which, or property in regards to which, the Corporation transacts business or contemplates such transactions, create at least the presumption of a conflict of interest and must be avoided. An employee who may have conflicting or potentially conflicting interests between his personal, business or other outside activities and any business interest of the Corporation in any transaction that he knows is under consideration by the Corporation, must withdraw from any discussions, decisions or assessment related to the particular subject and inform his immediate supervisor of the matter and of his conflict (or potential conflict). Employees may confront a variety of situations that represent real or potential conflicts of interest. The Corporation expects all employees to be sensitive to such possibilities and to consult their immediate supervisor or the Chief Financial Officer or the Vice-President, Legal Affairs and Corporate Secretary when ambiguous situations arise.

Outside Business Activities

Involvement or employment outside the Corporation which might reduce an employee's general duty of undivided loyalty to the Corporation, or adversely affect his independent judgment, as well as his decisions or actions taken on the Corporation's behalf, must be avoided. No conflict should exist between the private interests of employees and their official duties. To ensure that employees give their full attention to their work and their undivided loyalty to the Corporation, employees are discouraged from engaging in paid employment outside of the Corporation without the express written permission of their immediate supervisor, and, in any event, are strictly prohibited from engaging in paid employment that might conflict with the interests of the Corporation. Employees

must also obtain the consent of their immediate supervisor for all professional activities (such as, for example, service in professional associations and on boards of directors) which ensue from their function or status at the Corporation or which would necessitate time or energy during the working day.

PROTECTION AND USE OF CORPORATION'S ASSETS

Corporation's Time and Assets

Employees must use Corporation's assets and resources solely for the purposes for which they are intended: any personal or other use must be avoided. Every employee has an obligation to safeguard the Corporation's assets and to exercise care in using Corporation's equipment and vehicles. Each employee must use Corporation's time solely for Corporation's purposes and not for personal purposes. Any waste, misuse, destruction or theft of Corporation's property or any improper or illegal activity must be brought to the attention of management.

Employees ceasing employment with the Corporation must return all objects, documents or data belonging to the Corporation such as computer hardware and software, databases, cellular telephones, credit cards, books, manuals, etc. and shall comply with the Corporation's guidelines and policies in that respect.

E-mail and Internet

E-mail and Internet systems are provided for business use. The use of e-mails is not entirely secure and may be susceptible to interception and creates a permanent record. Any e-mail sent may be printed by the recipient and forwarded by the recipient to others, and is probably retained on company computer for a substantial period of time. Therefore, employees should exercise the same care, caution and etiquette in sending an e-mail message as they would in normal written business communications.

In relation to the Corporation's Internet connection, it is forbidden to download any data that is unprofessional or inappropriate for business use.

Confidential Information

Confidential information relating to the Corporation's business is a very important asset of the Corporation and must be treated accordingly.

During the course of their employment, employees may be provided with access to and knowledge of confidential information, to the extent that such information is necessary or at least useful to ensure the proper performance of their duties. Confidential information includes, but is not limited to, information not publicly disclosed about the Corporation's business, projected property acquisitions, exploration, drilling and other technical results, mining methods or techniques, production, discoveries, information relative to past, present and prospective customers and suppliers, joint ventures, financial data, marketing techniques, strategies, and business plans and personal information concerning employees of the Corporation.

Employees must preserve the confidentiality of such information and shall not at any time, both during and after their employment with the Corporation, disclose to anyone (within or outside the Corporation), any of the Corporation's confidential information, except on a need to know basis in the normal course of business. Moreover, employees shall not use such information for their, or anyone else's, personal gain. Employees shall return to the Corporation such confidential information upon request by the Corporation and, in any event, immediately after their employment termination.

The above restrictions apply not only to the Corporation's confidential information, but also to information received by the Corporation from third parties under an obligation of confidentiality.

Social Media

All directors, officers and employees of the Corporation must exercise proper care and good judgment when using social media. It is important that we do not give the improper impression that they are individually speaking on behalf of Falco when using social media, unless they are expressly authorized to do so.

Social media refers to the external online tools used to share on an ongoing basis any developments concerning the Corporation's activities. Social media tools include, but are not limited to: professional networking sites (e.g., LinkedIn), social networking sites (e.g., Facebook, Tumblr), video and photo sharing websites (e.g., YouTube), micro-blogging sites (e.g., Twitter), personal websites and blogs, forums and discussion boards (e.g., Yahoo! Groups, GoogleGroups, Yelp).

HUMAN RESOURCES AND COMMUNITY

Employment and Equal Opportunity

The Corporation is committed to maintaining a challenging working environment in which ability and performance are recognized, free from any form of discrimination contrary to law and discrimination on the basis of personal relationships. Thus, every employee holding leadership responsibilities shall treat all other employees in a fair and equal manner and shall not allow any personal relationship with any other employee under his supervision compromise this principle.

The Corporation allows the employment of related persons, but in every case the procedure followed must be equitable and situations involving a conflict or a potential conflict between any employee's personal interests and the interests of the Corporation must be avoided. The following relationships between an employee and the person to whom he reports to may give rise to violations of this principle and must be avoided or, if they exist, be brought to the attention of the local head of the management team who shall, if appropriate, recommend specific conditions: a spouse (including common-law relation), a child or grandchild, a spouse of such child or grandchild, a sibling, a father-in-law, a mother-in-law, or any employee in the direct parent-child bloodline of another where there is a real or potential conflict of interest as a result of the relationship and the positions the employees occupy.

Respect and Integrity of the Person

The Corporation is committed to encouraging the respect of individuals, their integrity and their dignity by ensuring that the working environment and relations between employees shall be free of discrimination or harassment. Any person who believes that he is a victim of harassment may directly contact the Vice-President, Legal Affairs and Corporate Secretary. The matter will be treated with discretion and diligence and in accordance with appropriate procedures.

Business and Professional Relationships

Employees must maintain professional relationships based on honesty and respect for individuals and the organization with a view to establishing lasting and equitable employment and business relationships. Employees must specifically encourage respect for others and cooperation and professionalism among colleagues.

Community Relations

The Corporation is committed to conducting its business responsibly with the communities in the areas where it operates, and to making a positive contribution to the well-being and development of said communities. Every employee shall reflect this commitment in his everyday dealings, and respect the different cultures and the dignity and rights of individuals in all countries where the Corporation carries out its activities.

CORPORATE RECORDS

Records and Reporting

The Corporation's records serve as the means and evidence of the management of the Corporation's business, as the measure of the Corporation's fulfillment of its obligations to shareholders, employees, suppliers and others, and of the Corporation's compliance with tax, financial, and other reporting requirements. Directors, officers, shareholders and other stakeholders of the Corporation cannot make informed decisions about the Corporation if its records and business information contains material errors, omissions, falsifications or misleading statements.

The Corporation is committed to maintaining adequate accounting and auditing procedures and controls to ensure that financial statements fairly present, in all material respects, the financial condition and results of operations of the Corporation in accordance with the requirements of applicable law and the International Financial Reporting Standards.

All employees involved in collecting, drafting, gathering, processing or recording such information are responsible for its integrity and shall ensure, to the best of their ability, that all entries, books, records and accounts of the Corporation accurately and fairly reflect the Corporation's operations and transactions. Accounting, financial and legal documents and records of the Corporation shall not be destroyed without the prior consent of the Chief Financial Officer.

Each employee must be vigilant in preventing fraud and dishonesty, and report immediately to his immediate supervisor any evidence of wrongdoing. If need be, serious concern of questionable behaviour, conduct or practices within the Corporation regarding accounting, internal accounting controls, or auditing, or related matters may be voiced pursuant to the Corporation's ***Internal Whistle Blowing Policy***.

COMPLIANCE

Employee Compliance and Reporting

All officers and managers at all levels shall maintain an "open door" policy regarding questions of business conduct as regards this Code and its applicability. Employees shall be encouraged to ask such questions in respect of any particular situation no matter how small or insignificant it may seem to be.

Each employee is encouraged to be alert to any work related activities which could be construed as a violation of the Code, should bring the matter to the attention of his immediate supervisor, or an (other) officer of the Corporation, as appropriate, and should take corrective action, if possible, to remediate the situation and/or prevent recurrence of the violation.

If any employee is uncertain whether an activity in which he is engaged or an activity he is witnessing could be construed as a violation of the Code, he must discuss the matter with his immediate supervisor, or an (other) officer of the Corporation, as appropriate.

Where a corporate policy provides specific complaint procedures, these procedure will be applicable in case of violation of the policy. Otherwise, an employee who has knowledge that a violation to this Code has been committed or will be committed shall bring the matter to the attention of his immediate supervisor and, if this avenue is not appropriate or if the matter has not been corrected by the immediate supervisor, to the hierarchical supervisor of the employee's immediate supervisor and so on, up the corporate ladder, for as long as the violation has not been corrected and if necessary, as high as the President and Chief Executive Officer, as appropriate. If an employee has reasons to believe that this avenue is not appropriate, he may bring the matter to any officer of the Corporation, as appropriate.

Retaliation against any employee who honestly reports a concern about an illegal or unethical conduct will not be tolerated. Persons involved in illegal or unethical conduct, may be sanctioned even if they have reported it. It is unacceptable to file a report knowing it to be false.

Investigation and Enforcement

If any member of management receives reports of any violation of the Code, he must conduct such investigations, inform the Corporation's President and Chief Executive Officer, the Chief Financial Officer, the Vice-President, Legal Affairs and Corporate Secretary and the head of the relevant department or division of such investigation and of its outcome, and take such other actions as he considers necessary to determine whether a violation has in fact occurred and shall recommend appropriate corrective and, if applicable, disciplinary action (including termination of employment)

to Falco's President and Chief Executive Officer or the head of the relevant subsidiary, as appropriate. Any employee who withholds information during the course of an investigation regarding a possible violation of the Code is subject to disciplinary action, including termination of employment.

Training

Directors, officers and employees will be provided, from time to time, relevant and ongoing training on how to implement and adhere to the Code and, where required, must certify that they understand the content of the Code and that to the date of the certification they have entirely complied with such.

Certification

Each current and new employee, director, officer and employee will be required to certify his awareness and compliance with this Code in the attached form of undertaking. Subsequently, each key director, officer and employee, as determined by management and excluding third parties, will be required to reiterate annually his undertaking in the attached form of renewal. Any director, officer and employee who is required to so certify and declines doing so cannot thereafter claim that he is not aware of the provisions of the Code.

REVIEW AND MONITORING

The Nominating and Governance Committee shall review this Code periodically, as it deems appropriate, and propose recommended changes to the Board of Directors.

The Board of Directors, directly or through its Nominating and Corporate Governance Committee, will monitor compliance to this Code.

This Code was approved by the Board of Directors on May 25, 2016 and last reviewed September 27, 2021.

FALCO RESOURCES LTD.
and its affiliated entities

**UNDERTAKING TO COMPLY WITH
FALCO'S CODE OF ETHICS**
(For current and new employees)

I, the undersigned, hereby acknowledge having received and read a copy of the **Code of Ethics** for employees of Falco Resources Ltd. and its affiliated entities (the "**Code**"), and I hereby undertake to comply with its provisions, promote the goals, measures, objectives and principles set forth therein and take all the necessary steps to ensure its application in my work environment.

Finally, I agree that I have the responsibility to speak to my immediate supervisor, or an (other) officer of the Corporation, should I have any concerns about a possible breach, by anyone, of the Code.

Signed at _____, this ___ day of _____ 20__.

Employee's signature

Employee's name (print)

FALCO RESOURCES LTD.
and its affiliated entities

**UNDERTAKING TO COMPLY WITH
FALCO'S CODE OF ETHICS**
(Renewal Form)

I, the undersigned, hereby acknowledge having received and read a copy of the **Code of Ethics** for employees of Falco Resources Ltd. and its affiliated entities (the "**Code**"), and I hereby undertake to comply with its provisions, promote the goals, measures, objectives and principles set forth therein and take all the necessary steps to ensure its application in my work environment.

I confirm that since the date of my previous undertaking to comply with the Code, I have complied with it and that:

- I have not been made aware of any violation to the Code; or
- I have not been made aware of any violation to the Code other than the violations listed in the schedule attached hereto.

Finally, I agree that I have the responsibility to speak to my immediate supervisor, or an (other) officer of the Corporation, should I have any concerns about a possible breach, by anyone, of the Code.

Signed at _____, this ___ day of _____ 20__.

Employee's signature

Employee's name (print)

FALCO RESOURCES LTD.
and its affiliated entities

**UNDERTAKING TO COMPLY WITH
FALCO'S
CODE OF ETHICS**
(for Third Party – Individual)

I, the undersigned, hereby acknowledge having received and read a copy of the **Code of Ethics** for employees of, and third parties providing services and goods to, Falco Resources Ltd. and its affiliated entities (the “**Code**”), and I hereby undertake to comply with its provisions, promote the goals, measures, objectives and principles set forth therein and take all the necessary steps to ensure its application in my work environment.

Finally, I agree that I have the responsibility to speak to an officer of Falco Resources Ltd., should I have any concerns about a possible breach, by anyone, of the Code.

Signed at _____, this ____ day of _____ 20__.

Individual's signature

Name of individual (print)

FALCO RESOURCES LTD.
and its affiliated entities

**UNDERTAKING TO COMPLY WITH
FALCO'S
CODE OF ETHICS**
(for Third Party – Business)

_____ hereby acknowledges having received and read a copy of
(Name of business)
the **Code of Ethics** for employees of, and third parties providing services and goods to, Falco Resources Ltd. and its affiliated entities (the “**Code**”), and hereby undertakes to comply with its provisions, promote the goals, measures, objectives and principles set forth therein and take all the necessary steps to ensure its application in its work environment.

Finally _____ agrees that it has the responsibility to speak to an officer of
(Name of business)
Falco Resources Ltd., should it have any concerns about a possible breach, by anyone, of the Code.

Signed at _____, this ___ day of _____ 20__.

Name of business (print)

Signature by a duly authorized person of
the business

Employee's signature

Employee's name (print)

FALCO RESOURCES LTD.

INTERNAL WHISTLEBLOWING POLICY

OBJECTIVE AND SCOPE

Falco Resources Ltd. (“**Falco**”) is committed to the highest possible standards of openness, honesty and accountability as its various stakeholders are expecting this and are entitled to it.

Falco wants to know about dishonest, fraudulent, unacceptable behaviour, conduct and practices made by its employees regarding accounting, internal accounting controls or auditing, bribery and corruption or other related matters (a “**questionable event**”) and expects them and, as applicable, those of its affiliates (Falco and its affiliates are hereinafter referred to as the “**Corporation**” and the term “**employees**” refers to employees, directors, officers and consultants of the Corporation; for practical reasons, the masculine gender includes the feminine) to feel confident about disclosing and reporting on any concerns they may have about any questionable event they are aware of.

In line with Falco’s above-stated commitment, this Internal Whistleblowing Policy (the “**Policy**”) is structured as a formal tool to allow the receipt, retention and treatment of complaints, denunciations, warnings and any form of notice by any employee of the Corporation regarding a questionable event.

BACKGROUND AND WHISTLEBLOWING

Employees are often the first ones to realize that there may be something seriously wrong within the Corporation. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Corporation. By the same token, it may also be easier for colleagues or superiors of such employees to ignore their concerns so raised rather than address same or report through higher echelons what might just be a suspicion of fraudulent or wrongful practices.

Falco expects employees who have *reasonable grounds* for believing there is a questionable event within the Corporation to come forward and voice those concerns responsibly.

This Policy is intended to encourage and enable employees to voice their concerns regarding any questionable event **within** the Corporation rather than ignoring them or ‘blowing the whistle’ outside the Corporation prior to having proceeded with the mechanism provided hereunder.

Any employee who finds his concerns about a questionable event not satisfactorily addressed by his immediate supervisor (or higher-ranking persons) or who feels that the seriousness and sensitivity of the issues or people involved require that the reporting of such questionable event should neither be addressed to the attention of his immediate supervisor, nor follow the hierarchical ladder, should contact Falco’s Vice-President, Legal Affairs and Corporate Secretary (the “**Whistleblowing Officer**”) at:

Telephone: 1-855-940-2004
Email: ethics@falcores.com
Mail: Falco Resources Ltd.
Corporate Secretary
1100, av. des Canadiens-de-Montréal
Suite 300
Montréal (Québec) H3B 2S2

All communications are also forwarded directly to the Audit Committee Chair.

SAFEGUARDS AGAINST RETALIATION, HARASSMENT OR VICTIMIZATION

Falco acknowledges that one's decision to report a questionable event can be a difficult one to make. Employees who raise serious concerns should have nothing to fear. Therefore, the Corporation shall not tolerate any retaliation, harassment or victimization (including informal pressures) and shall take appropriate action to protect employees who raise any concerns under this Policy in good faith (a "**concerned employee**").

EXAMPLES OF REPORTING MISCONDUCT

Examples would include:

- violation of any applicable law, rule, or regulation that relates to corporate reporting and disclosure;
- fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement of the Corporation or any of its subsidiaries;
- fraud or deliberate error in the recording and maintaining of financial records of the Corporation or any of its subsidiaries;
- non-compliance with the Corporation's internal policies, procedures and controls;
- misrepresentation or a false statement by or to an employee of the Corporation respecting a matter contained in the financial records, reports, or audit reports;
- fraud or theft;
- offering or accepting a bribe;
- unlawful, corrupt or irregular use of the Corporation's funds or Corporation resources;
- an act, omission, or course of conduct that constitutes a serious risk to health, safety or the environment; and
- any other wrongdoing, including in connection with the Corporation's Code of Ethics.

Serious wrongdoing is not limited to the above referenced examples.

CONFIDENTIALITY

All expressions of concerns or reports on questionable events within the Corporation, filed with the Whistleblowing Officer pursuant to this Policy, will proceed internally on a strict confidential basis.

ANONYMOUS ALLEGATIONS

Expressions of serious concerns or reports on questionable events within the Corporation filed with the Whistleblowing Officer on an anonymous basis will be treated appropriately.

UNTRUE ALLEGATIONS

In the event an employee makes in good faith an allegation that is not confirmed by subsequent investigation or otherwise, no action shall be taken against him. Conversely, in the event an employee makes an allegation frivolously, maliciously or for his personal gain, the appropriate disciplinary or legal action will be taken against him, including possible dismissal for cause.

HOW TO RAISE A CONCERN

Concerns may be raised with the Whistleblowing Officer verbally or in writing. Employees who wish to make a written report are invited to provide:

- the background and history of the questionable event (giving relevant dates);
- the reasons prompting the particular concern about the situation;
- the extent to which the employee has personally witnessed or experienced the questionable event (provide documented evidence where possible).

RECORDS AND REPORTING

The Whistleblowing Officer will maintain a record of concerns raised and the outcomes (but in a form which does not endanger the confidentiality of a concerned employee's identity where necessary) and will report to the Chair of the Audit Committee, and, as necessary, to management.

INVESTIGATION

The Chair of the Audit Committee shall determine the steps to be taken to address the concern appropriately and whether an investigation is appropriate and, if so, what form it should take as well as other parameters (appointment of investigators, timetable, etc.).

A concerned employee shall be informed of the outcome of any investigation or of any treatment of his claim or notice (this, of course, does not apply to anonymous allegations).

This Policy was approved by the Board of Directors on May 25, 2016 and was last reviewed on September 27, 2021.

FALCO RESOURCES LTD.
SECURITIES TRADING POLICY

OBJECTIVE AND SCOPE

In line with its commitment to implement sound corporate governance practices, Falco Resources Ltd. (“**Falco**” or the “**Corporation**”) acknowledges the importance of setting up guidelines for trading in its shares or other securities of Falco (hereinafter referred to as “**securities of Falco**”). Naturally, such guidelines will minimize the risks of violations of the securities laws.

The Corporation’s Securities Trading Policy (the “**Policy**”) incorporates the rules on trading and dealings in securities included in applicable securities legislation and the rules of the TSX Venture Exchange. Accordingly, this Policy extends to all directors, officers and employees of Falco.

GENERAL

Securities laws prohibit anyone having a close or special relationship with Falco from purchasing or selling (or otherwise disposing of) securities of Falco when any such person has knowledge of material non public information about the Corporation’s business. Securities laws also prohibit the communication of material non public information to any person (including family and friends), except on a need-to-know basis in the necessary course of business. At the appropriate time, the Corporation discloses material information publicly via news release or otherwise. However, prior to such public disclosure, directors, officers and/or employees may have knowledge of material non public information and, under any such circumstances, they must exercise the utmost care in handling such material non public information to avoid legal and ethical violations.

A material non public information about the Corporation’s business means any fact, event, circumstances or change in the activities, business or property of the Corporation that is not known to the public and that results in, or would reasonably be expected to result in, a significant change in the market price or value of the securities of Falco; it also means any information that would reasonably be expected to have a significant influence on any reasonable investor’s decision to buy, sell or hold securities of Falco.

This would include, but is not limited to, non public information regarding:

- (a) earnings and other financial results;
- (b) acquisition or disposition of material assets;
- (c) mineral discoveries;
- (d) agreements or arrangements for take-overs, mergers, consolidations, amalgamations or reorganizations;
- (e) agreements or arrangements for joint ventures;
- (f) changes in the capital structure, including share or debenture issues, stock splits or stock dividends;
- (g) changes in share ownership that may affect control of the Corporation;

- (h) borrowing material funds;
- (i) public or private sale of securities of Falco;
- (j) changes in capital expenditure plans or corporate objectives;
- (k) significant changes in the Corporation's management or board of directors;
- (l) significant litigation;
- (m) major labour disputes or disputes with major contractors, suppliers, or customers;
- (n) events of default under financing or other agreements; and
- (o) any other change in the business, affairs or property of the Corporation that could reasonably be expected to materially affect the price or value of the securities of Falco or have an influence on a reasonable investor's investment decision.

TRADING GUIDELINES

To achieve its above-stated objective, the Corporation hereby establishes the following guidelines with respect to the trading in securities of Falco by its directors, officers and employees:

1. the Corporation's directors, officers and employees, as well as family members living under the same roof, must not buy or sell securities of Falco where they are aware of material non public information about the Corporation's business;
2. the Corporation's directors, officers and those employees having access to financial information, must not buy or sell securities of Falco, during the period encompassed between the tenth day preceding public disclosure of the financial results and the second trading day following the public disclosure of the financial results for a fiscal quarter or fiscal year end by way of press release; provided that such guideline is not applicable to purchases of common shares under any Employees Share Purchase Plan ("**Share Plan Purchase**") that could be implemented by Falco;
3. the Corporation's directors and officers must not buy or sell securities of Falco, before the second trading day following the public disclosure of any material information; provided that such guideline is not applicable to Share Plan Purchase;
4. the Corporation's directors and officers must not short sell securities of Falco; and
5. the Corporation's directors and officers shall not use any strategy relating to or use derivative instruments in respect of securities of Falco, including financial instruments that are designed to hedge or offset a decrease in market value of securities of Falco.

INSIDERS

All directors, officers and shareholders (holding over 10% of the voting rights attached to all outstanding voting securities) of the Corporation are insiders.

INSIDER TRADING OBLIGATIONS

A person who is an insider of Falco must, within ten (10) days of becoming an insider, file an insider report on www.sedi.ca in the required form effective the date on which the person becomes an insider disclosing any direct or indirect beneficial ownership or control or direction over securities of Falco (provided however that it is not necessary for an individual who has become an insider to file a “nil” insider report). In addition, insiders must file an insider report disclosing changes in an insider’s securities holdings (including the grant or exercise of stock options, restricted share units and deferred share units and grant and expiry of warrants). Insider reports disclosing changes in an insider’s securities holdings must be filed on www.sedi.ca within five (5) days of any transaction, or within such shorter period as may be prescribed.

NOTIFICATION OF TRADING BY INSIDERS

In all circumstances and as a precaution only, the Corporation’s insiders must obtain from the Corporate Secretary of the Corporation, or in his absence, from the Chief Financial Officer a prior written approval for any purchase or sale of securities of Falco, which approval will be valid for a maximum of ten (10) business days; provided that compliance with applicable laws and this Policy remains the ultimate responsibility of directors and officers, notwithstanding any approval under this section.

From time to time, management may extend the above-described period of times where trading in securities of Falco is prohibited (“**black out periods**”), designate additional black out periods or may prohibit the trading in the securities of any other publicly-owned company under special circumstances. Management may also subject certain senior managers to one or more guidelines of this Policy applicable to directors and officers of the Corporation. In timely manner, directors, officers and employees will be informed of such extended or additional black out periods, additional blacked out security or list of senior managers subject to one or more guidelines of this Policy applicable to directors and officers of the Corporation.

If an employee has any question regarding his or her ability to purchase or sell securities of Falco, or any other question concerning this Policy, the employee should consult with the Corporation’s Corporate Secretary.

This Policy was approved by the Board of Directors on May 25, 2016 and was last reviewed on September 27, 2021.

FALCO RESOURCES LTD.

POLICY REGARDING TENURE ON THE BOARD OF DIRECTORS

OBJECTIVE AND SCOPE

The Board of Directors (the “**Board**”) of Falco Resources Ltd. (the “**Corporation**”) is committed to a process of Board renewal and succession-planning for non-executive directors (the “**Directors**”) in order to balance the benefits of experience with the need for new perspectives to the Board while maintaining an appropriate degree of continuity and adequate opportunity for transition of Board and Board Committee’s roles and responsibilities.

The Nominating and Corporate Governance Committee (the “**NCG Committee**”) is responsible for recommending nominees for election to the Board and, in furtherance of such responsibility, it analyzes the competencies and skills of existing Directors, oversees an annual director evaluation process, and assesses the current and future needs of the Board, including the need to comply with the Corporation’s Policy regarding the Diversity of the Board of Directors.

The purpose of this Policy regarding Tenure on the Board of Directors (the “**Policy**”) is to communicate the importance the Corporation places on the renewal of its Board of Directors.

GENERAL PRINCIPLES

In order to assist the NCG Committee and the Board in succession-planning for Directors and appropriate Board renewal, the Board hereby adopts limits on Board tenure. Directors will not be re-nominated for election at an annual meeting after the earlier of the following has occurred:

- (a) such Director has served 12 years following the later of (a) September 23, 2020 and (b) the date on which the Director first began serving on the Board (the “**Term Limit**”); or
- (b) such Director has reached the age of 72 years old on or before the date of the annual or special meeting of shareholders of the Corporation called in respect of the election of Directors (the “**Retirement Age**”);

provided that, for greater certainty, there should be no expectation that a non-executive Director will serve on the Board for the periods contemplated by the Term Limit or until such Director reaches the Retirement Age (collectively the “**Board Tenure Limits**”).

SPECIFIC EXCEPTIONS

Notwithstanding the General Principles stated above, the foregoing Board Tenure Limits shall not apply to a non-executive Director who has yet to be elected annually for the fifth consecutive time by the shareholders. Once a non-executive Director has been elected or re-elected for five (5) times, these Board Tenure Limits apply notwithstanding that such Director has continued to receive solid annual performance evaluations, has needed skills and experience and meets other Board policies or legal requirements for Board service.

Exceptionally, on a case-by-case basis and on the recommendation of the NCG Committee, a non-executive Director who has reached the Term Limit or the Retirement Age may be nominated to serve on the Board for up to a maximum of two (2) additional years.

In determining whether to make such a recommendation to the Board, the NCG Committee shall consider the following factors, among others:

- (a) the Director has received positive annual performance assessments; and
- (b) the NCG Committee believes it is in the best interests of the Corporation that the Director continues to serve on the Board.

Notwithstanding the foregoing, the Board retains full discretion in approving such recommendation by the NCG Committee.

CHANGE OF OCCUPATION

In addition, Directors are expected to inform the Chair of the Board or the Lead Director of any major change in their principal occupation so that the Board would have the opportunity to decide the appropriateness of such Director's continuance as a member of the Board or of a Board Committee. Directors are also expected to provide the Chair of the Board or the Lead Director with information as to all boards of directors that they sit on or that they have been asked to join so as to allow the Board to determine whether it is appropriate for such Director to continue to serve as a member of the Board or of a Board Committee. The NCG Committee will apply Board nominee selection criteria, including Directors' past contributions to the Board and availability to devote sufficient time to fulfill their responsibilities, prior to recommending Directors for re-election for another term.

This Policy was adopted by the Board of Directors on September 23, 2020 and was last reviewed on September 27, 2021.

FALCO RESOURCES LTD.

POLICY REGARDING THE DIVERSITY OF THE BOARD OF DIRECTORS

OBJECTIVE AND SCOPE

Falco Resources Ltd. (the “**Corporation**”) values the benefits that diversity can bring to its board of directors (the “**Board**”). Diversity promotes the inclusion of different perspectives and ideas, mitigates against group think and improves oversight, decision-making and governance. Diversity on the Board also demonstrates the Corporation’s commitment to diversity at all levels within the Corporation.

The Corporation is also committed to fostering an inclusive culture based on merit and free of bias.

At all times, the Corporation seeks to maintain a Board comprised of talented and dedicated directors with a mix of experience, skills and backgrounds collectively reflecting the strategic needs of the business and the nature of the environment in which the Corporation operates. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Corporation will consider candidates using objective criteria having due regard to the benefits of diversity and the needs of the Board.

The Corporation aspires to have and maintain at least thirty percent (30%) of women representation on the Board of the Corporation. The Board has not adopted formal targets for each of the other “designated groups” as defined in the *Employment Equity Act*, as the Board considers the representation of the “designated groups” in the process of selecting individual candidates.

DEFINITION

“**Diversity Criteria**” means certain characteristics that will be considered as part of the nomination process, including, without limitation, professional experience, skills, geographic background, age, gender, ethnicity, First Nation Community, abilities and disabilities and other characteristics of the communities in which the Corporation operates.

THE PURPOSE OF THE POLICY

For purposes of this policy regarding diversity of the Board of Directors (the “**Policy**”), the Board is required to report annually to shareholders on the diversity of its members, including the number and percentage of women directors and the number and percentage of directors who are members of other “designated groups”.

With a view to enhancing Board diversity, the Nominating and Corporate Governance Committee (the “**NCG Committee**”) will be guided by the following principles when recommending nominees for appointment to the Board:

- All candidates who are highly qualified based on their experience, expertise, skills and qualities; and

- Candidates will be evaluated based upon their expertise with reference to skills identified as required by the Board in accordance with the director skills matrix.

GENERAL PRINCIPLES

The Corporation believes that diversity enriches discussions among directors and better reflects the Corporation's relationship with all of its stakeholders. Furthermore, the Corporation believes promotion of diversity is best served through careful consideration of all of the knowledge, experience, skills and backgrounds of each individual candidate for director in light of the needs of the Board without focusing on a single diversity characteristic and, accordingly, has not adopted specific Board diversity goals other than the gender representation target.

When assessing the composition of the Board, the principal focus is on ensuring that the Board has the diverse experiences, skills and backgrounds needed to oversee collectively the business of the Corporation. The Committee takes a balanced approach when considering the extent to which personal characteristics are taken into account to ensure the Board can fulfill its role in all respects.

POLICY REVIEW

The Committee will annually assess the effectiveness of this Policy and will report to the Board and thereon make recommendations to the Board for revision, if necessary. The Committee shall review this Policy and recommend to the Board any changes it sees fit to achieve the targets set out in this Policy.

This Policy was adopted by the Board of Directors on May 27, 2020 and was last reviewed on September 27, 2021.

FALCO RESOURCES LTD.

POLICY REGARDING THE DIVERSITY IN CORPORATE TALENT

OBJECTIVE AND SCOPE

Falco Resources Ltd. (the “**Corporation**”) is of the view that candidate selection should be based on merit and remains committed to selecting the most qualified and talented person to fulfill each position within the organization. At the same time, the Corporation recognizes that Diversity (as defined below) is important to ensure that the profiles of its team provide the necessary range of perspectives, skills, experience and expertise required to achieve corporate objectives.

In an increasingly complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills, and experience is critical to the Corporation’s success. By bringing together individuals from diverse backgrounds and giving each person the opportunity to contribute their skills, experience and perspectives in an inclusive workplace, the Corporation believes that it is better able to develop solutions to challenges and deliver sustainable value for the Corporation and its stakeholders. The Corporation considers Diversity (as defined below) to be an important attribute of a well-functioning company, which will assist the Corporation to achieve its long-term goals.

The Corporation is also committed to fostering an inclusive culture based on merit and free of bias.

DEFINITION

“**Aboriginal peoples**” means persons who are Indians, Inuit or Métis.

“**Designated Groups**” means women, Aboriginal peoples, persons with disabilities and Members of Visible Minorities.

“**Diversity**” means any dimension that can be used to differentiate groups and people from one another and it means the respect for and appreciation of the differences in certain characteristics, including, without limitation, professional experience, skills, geographic background, age, gender, religion, marital status, ethnicity, First Nation Community, abilities and disabilities and other characteristics of the communities in which the Corporation operates.

“**Members of Visible Minorities**” means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour.

“**Senior Management**” means the following individuals: the president of the Corporation, the chief executive officer and chief financial officer, vice-presidents and any individual who performs a policy-making function in respect of the Corporation.

THE PURPOSE OF THE POLICY

For purposes of this policy regarding diversity in corporate talent (the “**Policy**”), the Corporation is required to report annually to shareholders on the Diversity of its team, including the number and percentage of Senior Management roles held by members of the Designated Groups.

STRATEGY

The Corporation believes that Diversity enriches discussions and performance of its team in the pursuit of its short and long-term corporate objectives. Furthermore, the Corporation believes promotion of Diversity is best served through careful consideration of all of the knowledge, experience, skills and backgrounds of each individual candidate for Senior Management roles in light of the needs of the Corporation without focusing on a single Diversity characteristic and, accordingly, has not adopted specific corporate talent Diversity goals other than the gender representation target. As part of its strategy to recruit and maintain a diversified organization, the Corporation will:

- promote Diversity within its team, with particular emphasis on gender diversity;
- promote the contribution of women and other members of the Designated Groups to the success of the organization;
- assist in the development of women and other members of the Designated Groups within the organization through training, inside sponsorship and outside mentoring;
- for every open position within the organization, promote the candidacy of at least one female and a representation of the other members of the Designated Groups be considered as potential candidates;
- encourage an awareness in all staff of their rights and responsibilities with regard to fairness, equity and respect for all aspects of Diversity;
- actively participate in internal and external initiatives to promote Diversity in its industry with specific focus on gender diversity; and
- provide work environment that accommodates family and work life balance, while maintaining a high achievement culture.

SPECIFIC TARGET

The Corporation will aim to have 25% of Senior Management roles being held by women. The Corporation has not adopted formal targets for each of the other members of the Designated Groups, as the Corporation considers the representation of the other members of the Designated Groups in the process of selecting individual candidates.

REPORTING

Senior Management will report annually to the Compensation Committee (the “**Committee**”) on its Diversity program, including:

- i. gender distribution of the employees;
- ii. statistics on Senior Management roles held by members of the Designated Groups;
- iii. corporate participation on initiatives (internal and external) to promote Diversity; and
- iv. current trends in Diversity practices.

The Corporation will also report externally on its performance in the application of this Policy.

POLICY REVIEW

This Policy will be reviewed annually and the progress toward the achievement of objectives will be monitored by the Committee. Any search firm or consultancy retained to assist the Corporation in identifying potential candidates for appointment should be informed of this Policy, and of any change to it, and be directed accordingly.

This Policy was adopted by the Board of Directors on September 28, 2020.

FALCO RESOURCES LTD.

POLICY¹ ON THE PREVENTION OF PSYCHOLOGICAL OR SEXUAL HARASSMENT IN THE WORKPLACE AND THE HANDLING OF COMPLAINTS

OBJECTIVE

Falco Resources Ltd. (“**Falco**”) does not tolerate nor accept any form of psychological or sexual harassment and is committed to providing a respectful work environment. This policy on prevention of psychological or sexual harassment at work and the handling of complaints (the “**Policy**”) is intended to affirm the commitment of Falco to prevent and put an end to any situation of psychological or sexual harassment in its business, including any form of discriminatory harassment. It is also intended to establish the principles of intervention that are applied when a harassment complaint is filed or a harassment situation is reported to Falco or to its representative, if any.

SCOPE

This Policy applies to all Falco personnel, and at all levels, including the following locations and contexts:

- the workplace;
- common areas;
- any other location an employee is at, in the course of their employment (ex: meetings, training sessions, travel, social activities organized by Falco); and
- communication by any means, electronic or otherwise.

DEFINITION

The *Act respecting labour standards* defines psychological harassment as follows²:

“Any vexatious behaviour in the form of repeated and hostile or unwanted conduct, verbal comments, actions or gestures, that affects an employee’s dignity or psychological or physical integrity and that results in a harmful work environment. For greater certainty, psychological harassment includes such behaviour in the form of such verbal comments, actions or gestures of a sexual nature.

A single serious incidence of such behaviour that has a lasting harmful effect on an employee may also constitute psychological harassment.”

¹ In this Policy, the use of the masculine to designate persons has no other purpose than to lighten the text.

² See Schedule 1 of this policy for additional information.

This definition also includes discriminatory harassment based on the grounds protected by the *Charter of human rights and freedoms*³.

The concept of harassment must be considered separately and distinctly from other situations such as a personal conflict, stress related to work, difficult professional constraints or a normal exercise of management rights (surveillance of job attendance, organization of work, disciplinary measures, etc.).

POLICY STATEMENT

Falco does not tolerate nor accept any form of psychological or sexual harassment within the company, either:

- by management towards employees;
- between colleagues;
- by employees towards their supervisors; or
- by any person associated with the company: agent, client, user, supplier, visitor or otherwise.

Any conduct which constitutes harassment shall result in the imposition of disciplinary measures, including dismissal.

Falco undertakes to take all reasonable measures to:

- offer a work environment free of any form of harassment in order to protect the dignity as well as the physical and psychological integrity of all company personnel;
- disseminate the Policy and make it available to all company personnel, by providing a copy of the Policy to the company personnel and by posting it in common areas of the workplace;
- prevent or, as the case may be, put an end to harassment situations by:
 - a) putting in place a procedure for handling complaints and reporting to the Compensation Committee in respect of psychological or sexual harassment situations;
 - b) ensuring the understanding and compliance with the Policy by all company personnel; and
 - c) promoting respect between individuals.

EXPECTATIONS FROM COMPANY PERSONNEL

An employee who believes that he is being psychologically harassed or sexually harassed, and as long as he feels that it is appropriate to do so, should first inform the person concerned that his behavior is undesirable and unacceptable, and that such behavior must stop. The employee should

³ Such grounds of discrimination are listed in Schedule 1.

also note the date and details of the incidents as well as the steps he took to try to resolve the situation, if applicable. At no point should the employee feel obliged to deal with the situation alone and should seek help by contacting one of the responsible persons designated by Falco.

HANDLING OF COMPLAINTS AND HARASSMENT REPORTS

If the harassment continues despite the efforts of the employee subject to psychological or sexual harassment to have such behavior stop, such employee should report the situation to a responsible person designated for such purpose by Falco in order to identify the aforesaid problematic behavior and for Falco to take all necessary measures.

A complaint may be made verbally or in writing. The description of the problematic behavior and the relevant details of the incidents with as much precision as possible will improve the efficiency of the intervention in order to make the harassment stop.

An employee who witnesses a harassment situation is also invited to report it to one of the below mentioned person.

The responsible person designated by Falco are the following:

Hélène Cartier
Vice-President, Environment and Sustainable Development
Phone: 514 905-3162, ext. 180
Email: hcartier@falcores.com

Upon receipt of a complaint, the responsible person will promptly notify the Chair of the Compensation Committee of Falco to determine and implement the appropriate investigation process. The responsible persons designated by Falco shall report on a quarterly basis to the Compensation Committee on any complaints, if any.

PRINCIPLES OF INTERVENTION

Falco undertakes to:

- handle the complaint or report as soon as possible;
- preserve the dignity and privacy of the persons concerned, i.e. the person who made the complaint, the person who is the subject of the complaint and the witnesses;
- ensure that all persons concerned are treated with humanity, fairness and objectivity and that adequate support is provided;
- protect the confidentiality of the intervention process, including information related to the complaint or report;
- offer to hold a meeting with the persons concerned, with their consent and only if they are comfortable to do so, in order to resolve the situation;
- if necessary, conduct an investigation without delay and in an objective manner, or assign an external party to such investigation. The persons concerned will be informed of the conclusion of such investigation. If the investigation does not establish that there

was inappropriate behaviour, all physical evidence will be retained for two years and destroyed thereafter;

- take all reasonable measures to resolve the situation, including appropriate disciplinary measures.

Any person who violates this Policy will be subject to appropriate disciplinary action. The choice of the applicable measures will take into account the seriousness and consequences of the action(s) as well as the previous record of the person who is the subject of the harassment complaint or report.

A person who makes false accusations with the aim of causing harm is also liable to appropriate disciplinary measures.

In the handling and resolution of a situation involving harassment at work, no one shall be prejudiced or subject to reprisals by Falco.

An employee who believes that he is or has been subjected to psychological or sexual harassment in relation to his or her work may also file a complaint at any time directly with the *Commission des normes, de l'équité, de la santé et de la sécurité du travail* (the "CNESST"). The maximum time limit to do so is two (2) years from the last occurrence of harassment. The complaint can be filed online (<https://www.cnesst.gouv.qc.ca/en/prevention-and-safety/healthy-workplace/harassment-workplace/psychological-or-sexual-harassment-workplace>) or by phone at 1-844-838-0808. The choice of an employee to first contact Falco will not prevent them from also filing a complaint with the CNESST afterwards.

REVIEW

The Compensation Committee shall review the Policy annually and recommend appropriate changes to the Falco Board for approval.

* * * * *

This Policy was adopted by the Compensation Committee and by the Board of Directors on February 13, 2019.

SCHEDULE 1 IDENTIFYING PSYCHOLOGICAL OR SEXUAL HARASSMENT

The *Act respecting labour standards* provides criteria for determining what can be considered psychological or sexual harassment:

- vexatious (hurtful, humiliating) behavior;
- which occurs repeatedly or in a single serious act;
- in a hostile (aggressive, threatening) or unwanted manner;
- violating the dignity or integrity of the person;
- resulting in a harmful (toxic, damaging) work environment for such person.

These conditions include words, actions or gestures of a sexual nature.

Discrimination based on any of the grounds listed in section 10 of the *Charter of Human Rights and Freedoms* may also constitute harassment: race, colour, sex, pregnancy, sexual orientation, civil status, age except to the extent provided by law, religion, political beliefs, language, ethnic or national origin, social condition, disability or the use of any means to palliate such handicap.

For example, the following conducts could be considered as vexatious behavior constituting harassment if they meet all of the criteria provided by law.

Conducts that may be related to psychological harassment

- Intimidation, cyberbullying, threats, isolation;
- Offensive or defamatory comments or actions towards a person or their work;
- Verbal abuse;
- Disparagement.

Conducts that may be related to sexual harassment

- Any form of unwanted attention or advance with a sexual connotation, for example:
 - insistent solicitation;
 - looks, kisses or touching;
 - sexist insults, rude language;
- Comments, jokes or images with a sexual connotation by any means, electronic or other.

SAFETY AT ALL TIMES, EVERYWHERE AND ABOVE ALL

We consider the protection and promotion of occupational health and safety as fundamental values which shape our overall record.

In order to achieve our zero-accident objective, we expect all members of the organization to be agents of change in the workplace and accept responsibility for accident prevention.

Our commitments to occupational health and safety will allow us to continuously improve all aspects of our management system.

- We will comply with applicable legal requirements for occupational health and safety.
- We will reduce the exposure of our employees to the risks posed by our operations to their safety using modern production techniques made possible by technological developments in the mining sector.
- We will provide our employees with a continuing education program aimed at improving their skills and knowledge of occupational health and safety prevention.
- We will work with our partners and authorities to develop prevention activities tailored to the needs and characteristics of our workplaces.
- We will communicate our health and safety requirements to our suppliers and subcontractors and we will make sure that they are respected.
- We will identify emergency situations and potential accidents which could have an impact on the environment, on the health of our employees and neighbouring communities, and we will be ready to handle those situations.
- We will annually review our commitments, objectives and performance.
- We will continuously aim at identifying opportunities to improve our balance sheet, prevent health problems and eliminate or control the risk of injury in the workplace.

Our ambition is to develop an exemplary culture of health and safety within the company, to achieve our goal that no work accidents occur on the properties of Falco Resources Ltd.



Luc Lessard, Eng.
President, Chief Executive Officer and Director



Sean Roosen
Chairman of the Board of Directors

DEVELOPMENT OF STRONG COMMUNITIES, IN HARMONY WITH THEIR CULTURE AND VALUES

We believe that excellence for our company is beyond the economic life of our operations. We want to generate actual benefits for our host communities, while maintaining a continuous dialogue with our stakeholders, and being ready to efficiently manage any emergency situation.

Social and Economic Benefits

- We will provide favorable work conditions for our employees to give them, and their families, better prospects for the future.
- We are committed to promoting diversity and inclusion in our activities. By developing and maintaining a culture of valuing diversity and inclusion, we offer everyone the opportunity to develop their talents and reap the success they deserve in their work environment.
- We will adopt responsible procurement practices for goods and services necessary to our operations, in order to contribute to the dynamism of the local and regional economy.
- We will seek to create opportunities and support initiatives that reflect the needs and priorities of our host communities.

Stakeholders Engagement

- We will set up a Monitoring Committee and any other measure to maintain a positive and constructive dialogue with our stakeholders at every stages of our projects' development.
- We will recognize and respect our stakeholders' social, economic, environmental and cultural interests.
- We will involve our stakeholders throughout the life cycle of our projects in order to foster their participation in any activity that is of interest to them.

Crisis Management

- We will develop, in collaboration with local authorities, a crisis management plan and a communication plan in order to protect local populations and their environment against risks associated with our activities.
- We will review and update this plan regularly so that it always reflects the risks associated with our activities.

Falco Resources Ltd. has for ambition to be recognized as a corporate citizen essential to the development of communities able to mobilize in order to meet the challenges of our modern societies.



Luc Lessard, Eng.
President, Chief Executive Officer and Director



Sean Roosen
Chairman of the Board of Directors

ECONOMIC PROSPERITY WITHOUT COMPROMISING THE ENVIRONMENT

We believe that the spirit of innovation that drives our company is an essential factor in our success.

Our commitment to the protection of the environment takes into account both the significant environmental aspects that are general in the mining industry and those that take on particular importance in the specific context of the realization of each of our projects.

- We will respect legal requirements applicable in environment as well as all conditions required at the time of issue of our permits and authorizations.
- We will efficiently manage our surface water and groundwater resources at all stages of our projects' life cycle.
- We will optimize our fossil fuel consumption to minimize greenhouse gas emissions, given international efforts to combat climate change.
- We will contribute to the preservation of local biodiversity during the development of our mining projects.
- We will take the precautionary measures necessary to mitigate the nuisance factors that may result from our operations such as noise, dust, vibrations and light.
- We will safely manage the use and storage of hazardous goods necessary to our operations.
- We will develop training and awareness programs that allow our staff to understand the environmental issues related to our operations and to understand what we expect from them to achieve the objectives we have set.
- We will communicate our health and safety requirements to our suppliers and subcontractors and we will make sure that they are respected.
- We will work with our partners in the development, testing and refinement of innovative technology solutions that support environmental protection.
- We will annually review our commitments, objectives and performance.

We believe that by developing our mining projects and managing our industrial processes in an eco-efficient way, we will be able to optimize the use of resources, prevent pollution and continuously improve our environmental performance.



Luc Lessard, Eng.
President, Chief Executive Officer and Director



Sean Roosen
Chairman of the Board of Directors