



CODE OF BUSINESS CONDUCT AND ETHICS

K92 MINING INC.

(the “**Company**”)

As adopted by the Board of Directors of the Company (the “**Board**”), on May 20, 2016.

I. APPLICATION AND PURPOSE

This Code of Business Conduct and Ethics (“**Code**”), as established by the Corporate Governance and Nominating Committee of the Company (the “**Governance Committee**”), applies to everyone at the Company, including directors, officers, employees and consultants (each a “**Staff Member**”, and collectively “**Staff Members**”), at all times and everywhere the Company does business.

The upholding of a strong sense of ethics and integrity is of the highest importance to the Company and critical to its success in the business environment. This Code embodies the Company’s commitment to such ethical principles and sets forth the responsibilities of the Company to its shareholders, employees, lenders and other stakeholders.

The Code outlines the fundamental principles of legal and ethical business conduct as adopted by the Board. It is not intended to be a comprehensive list addressing all legal or ethical issues which may confront the Company’s Staff Members. Hence, it is essential that all Staff Members subject to the Code employ good judgment in the application of the principles contained herein.

II. COMPLIANCE WITH THE CODE

Each Staff Member must be familiar with and adhere to the provisions of this Code and to the standards set out in the applicable policies of the Company. Failure to adhere to this Code may lead to disciplinary action, including dismissal or removal from office in appropriate circumstances.

III. COMPLIANCE WITH LAWS

The Company expects all Staff Members to comply with all applicable laws, rules and regulations (especially those prohibiting insider trading), to recognize potential liabilities and to seek legal advice where appropriate.

Staff Members must not only comply with the requirements of applicable laws, rules, regulations, policies and this Code, they must also ensure that their actions do not give the appearance of violating, or indicate a casual attitude towards compliance with laws, rules, regulations, policies and this Code.

If there are any doubts as to whether a course of action is proper or about the application or interpretation of any legal requirement, Staff Members should discuss it with a superior, a member of the Governance

Committee, a member of the Audit Committee of the Company (the “**Audit Committee**”) or the CEO, as appropriate.

The Board may adopt a Disclosure Policy for the purposes of educating and ensuring that all subject persons are fully aware of the rules and regulations of all relevant regulatory authorities with respect to insider trading. All Staff Members shall have full access to the Audit Committee, the CEO and the Company’s outside counsel with respect to any insider trading questions or issues.

The Board’s governance and oversight functions do not relieve the Company’s executive management of its primary responsibility of preparing financial statements which accurately and fairly present the Company’s financial results and condition, the responsibility of each executive officer to fully comply with applicable legal and regulatory requirements or the responsibility of each executive officer to uphold the ethical principles adopted by the Company.

IV. CONFLICTS OF INTEREST

A conflict of interest occurs when an individual’s private interest interferes in any way – or even appears to interfere – with the interests of the Company as a whole. A conflict situation can arise when a Staff Member takes actions or has interests that may make it difficult to objectively and effectively perform his or her Company work. Conflicts of interest also arise when a Staff Member, or a member of his or her family, receives improper personal benefits as a result of a position held in the Company. Loans to, or guarantees of obligations of, such persons are of special concern.

Conflicts of interest are prohibited. Every Staff Member must avoid any conflict of interest. Every Staff Member shall disclose all circumstances that constitute an actual or apparent conflict of interest. Disclosure shall be made, in the case of directors and officers, to the Board, and in the case of employees and consultants, to a superior, a Governance Committee member, an Audit Committee member or the CEO, as appropriate. When there is doubt about whether a conflict of interest exists, Staff Members should discuss the issue with a superior, a Governance Committee member, an Audit Committee member or the CEO, as appropriate.

Staff Members who find themselves in a conflict of interest must abstain from voting or taking any other action that may impact the outcome of the activity or business transaction in question. Full disclosure enables Staff Members to resolve unclear situations and gives an opportunity to dispose of or appropriately address conflicts of interest before any difficulty arises. However, if the board of directors determines that a potential conflict cannot be cured, the individual will resign from the Board, if a director, or from their position, if an officer, employee or consultant.

Where necessary, a Staff Member may refer an individual situation to a superior or the CEO, who may recommend actions needed to eliminate or address a conflict of interest. Set forth below is specific guidance in respect of certain conflict of interest situations.

1. Staff Members and their family members must avoid any direct or indirect financial relationship with third parties with whom the Company has relationships which would involve a conflict of interest or a potential conflict of interest or compromise the individual’s loyalty to the Company. Written permission must be obtained from the Board before any such individual commences an employment, business or consulting relationship with third parties with whom the Company has a relationship.

2. Staff Members are prohibited from:
 - (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position;
 - (b) using corporate property, information of position for personal gain; and
 - (c) competing with the Company. Staff Members owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.
3. All Staff Members may serve on the boards of directors of other profit-making organizations to the extent that such service will not interfere or conflict with their respective duties to the Company. Staff Members may not serve on the board of directors of any business organization which is a competitor of the Company, without the informed consent of the Board. All individuals must excuse themselves from participating in any matters pertaining to the Company and the business organization of which they are directors.
4. Individuals who serve as directors of other companies in the circumstances permitted hereunder may retain any compensation earned from that outside directorship unless otherwise specifically prohibited by the Company. Unless otherwise specifically authorized by the Board, individuals may not receive any form of compensation (whether in the form of cash, stock or options) for service on a board of directors of another business organization, if such service is at the request of the Company or in connection with the investment of the Company in such business organization. The Company reserves the right to request any individual to resign his or her position as a director of other business organizations if the Board determines it to be in the best interests of the Company.
5. Staff Members are prohibited from paying or accepting any bribe, kickback or any other unlawful payment or benefit to secure any concession, contract or any other favourable treatment. Staff Members must report any such attempted actions to a superior, a Governance Committee member, an Audit Committee member or the CEO, as appropriate. No individual should give gifts beyond those extended in the context of normal business circumstances. Staff Members must observe all applicable government restrictions on gifts and entertainment.
6. Supervisory relationships with family members present special workplace issues. Accordingly, Staff Members must avoid a direct reporting relationship with a family member or any individual with whom a significant relationship exists. If such a relationship exists or occurs, the individuals involved must report the relationship in writing to the Governance Committee.

V. FINANCIAL REPORTING RESPONSIBILITIES

The Company's books and records will reflect, in an accurate and timely manner, all Company transactions. In particular, all funds and assets will be properly recorded.

It is of critical importance that any filings with the securities commissions and other relevant regulatory authorities be accurate and timely. Hence, all Staff Members are obligated to provide information to ensure that the Company's publicly filed documents be complete and accurate. All Staff Members must take this responsibility seriously and provide prompt and accurate answers and responses to inquiries related to the Company's public disclosure requirements.

The CEO and Chief Financial Officer ("CFO") of the Company have the ultimate responsibility for ensuring the integrity of all filings and disclosures made by the Company as required by the rules and

regulations of all relevant regulatory authorities. In the performance of their duties relating to the Company's public disclosure obligations, the CEO, the CFO and all Staff Members must:

1. act with honesty and integrity;
2. act in good faith with due care, competence and due diligence;
3. provide information that is accurate, complete, objective, fair and timely;
4. comply with rules and regulations of federal, state, provincial and local governments and other relevant public and private regulatory authorities;
5. respect the confidentiality of information acquired in the course of the performance of one's duties;
6. promote ethical and proper behavior in the work environment; and
7. report to the Governance Committee any conduct that the individual believes to be a violation of law of the Company's Code of Business Conduct and Ethics.

VI. CONFIDENTIALITY OF COMPANY INFORMATION

Management has the primary responsibility of communicating with investors, the press, employees and other stakeholders on a timely basis and establishing policies for such communication. Non-public information relating to the Company is the property of the Company and the unauthorized disclosure of such information is strictly forbidden. This obligation to preserve the confidentiality of non-public information relating to the Company continues to apply to Staff Members even after they are no longer affiliated with the Company. Any Questions regarding the appropriateness of a particular disclosure should be discussed with a superior, a Governance Committee member, an Audit Committee member or the CEO, as appropriate.

The Company's confidentiality policy shall also apply to material non-public information of other companies with whom the Company does business and who have a reasonable expectation of privacy, including, by way of example, the Company's business partners, when that information is obtained in the course of employment with, or other services performed on behalf of the Company. Staff Members should treat material non-public information about the Company's business partners with the same care as is required with respect to information relating directly to the Company.

VII. PROTECTION AND USE OF COMPANY ASSETS

The Company assets must not be misappropriated for personal use by Staff Members. Theft, carelessness and waste have a direct impact on the Company's viability. Staff Members are thus required to protect Company's assets and ensure it is used efficiently for legitimate business purposes.

No assets of the Company, including the time of Staff Members, the use of the Company's premises or equipment and direct or indirect monetary payments, may be contributed to any political candidate, political action committee, political party or ballot measure without the approval of the Board.

VIII. FAIR DEALING

Each Staff Member shall endeavour to deal fairly with the Company's clients, suppliers, competitors and employees. No Staff Member is permitted to take unfair advantage of anyone through manipulation,

concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

IX. FUNDAMENTAL RIGHTS

The Company is committed to providing all Staff Members a workplace that respects their basic human rights. Each Staff Member at the Company has the right to work in an environment that is free from discrimination and harassment, including sexual harassment. Every Staff Member is responsible for taking all reasonable precautions not to demonstrate behavior that can be reasonably construed as discrimination or harassment.

The Company will take every incident of harassment or discrimination very seriously and any Staff Member that is found to have engaged in conduct constituting discrimination or harassment will be disciplined and, in appropriate circumstances, dismissed or removed from office.

X. SAFETY AND ENVIRONMENTAL PROTECTION

Safety and environmental protection are fundamental values of the Company and every Staff Member has a role in ensuring the Company's operations comply with safety and environmental legislation and standards.

Each Staff Member is responsible for taking all prudent precautions in every activity to ensure both personal safety and the safety of others.

XI. REPORTING BREACHES OF THIS CODE

Staff Members are required to report breaches of the Code, laws, rules, regulations, or other Company policies, to a superior, a Governance Committee member, an Audit Committee member or the CEO, as appropriate. Any failure to report such inappropriate or irregular conduct of others shall be treated as a severe disciplinary matter.

XII. NO RETALIATION FOR REPORTING VIOLATIONS

No Staff Member who in good faith reports discrimination, harassment or a violation of the Code, the law, or other Company policies, or who participates in an investigation related to such matters, shall suffer retaliation or adverse employment consequence. A Staff Member who retaliates against someone reporting on such matters in good faith, is subject to discipline up to and including termination of employment.

XIII. CLARIFICATION CONCERNING THE CODE

Staff Members may refer questions relating to this Code or its application to a particular situation to a superior, a Governance Committee member, an Audit Committee member or the CEO, as appropriate.

All disclosure to a superior, a member of the Governance Committee, a member of the Audit Committee and the CEO shall be kept strictly confidential unless, in the sole opinion of such person, the matter disclosed constitutes an actual or potential threat of serious harm to the Company, to another Staff Member or to the public.

XIV. WAIVERS FROM CODE

In extraordinary circumstances and where it is clearly in the Company's best interest to do so, the Company may waive compliance with a requirement under this Code for a Staff Member. Conditions may be attached to this waiver. Any waiver of the Code for directors or executive officers must be approved by the Board and must be disclosed as required by all applicable laws.

The Staff Member to whom a waiver is granted accepts that public disclosure of the granting of any such waiver may be required by applicable securities laws, regulations, policies or guidelines (including those of a stock exchange on which the Company's stock may be listed).

XV. REVIEW

The Governance Committee will review and update this policy periodically.