



MANDALAY RESOURCES

MANDALAY RESOURCES CORPORATION

(the “Company”)

NON-DISCRIMINATION AND HARASSMENT POLICY

PURPOSE

This Policy aims to ensure that employees or workers at Mandalay Resources are not subjected to discrimination, workplace harassment or bullying. Mandalay Resources is committed to providing a safe work environment conducive to positive and effective workplace relations. Mandalay is committed to equal employment opportunity, fair treatment and non-discrimination for all existing and future employees, and workers.

PRINCIPLES

Workplace Discrimination and Harassment

A person is subject to workplace discrimination or harassment if that person is subjected to behaviour by another person, including the person's supervisor or a co-worker or group of co-workers, that:

- a) is unwelcome and unsolicited;
- b) the person considers to be offensive, intimidating, humiliating or threatening; or
- c) a reasonable person would consider offensive, humiliating or threatening.

Workplace discrimination or harassment can be based on the following grounds:

- Gender
- Relationship Status
- Pregnancy
- Parental Status
- Breastfeeding
- Age
- Race, colour, nationality, ethnicity
- Disability, impairment
- Religious belief or activity
- Political opinion or activity
- Trade union membership or activity
- Lawful sexual activity/ preference
- Gender identity
- Sexuality
- Family responsibilities
- Association with, or relation to, a person identified on the basis of any of the above,
- Instructions to discriminate or harass a person.

As in effect August 2019

and can take the form of bullying behaviours.

Sexual harassment is defined as any unwelcome behaviour of a sexual nature, which is deemed offensive, humiliating or intimidating by the affected person. The behaviour must be of a sexual nature, must be unwanted and must be what a reasonable person would recognize as being unwelcome and likely to cause the person to feel offended, humiliated or intimidated. The unwelcome behaviour may be but need not be repeated or continuous – a single incident can amount to sexual harassment.

Workplace harassment or discrimination does not include reasonable management action taken in a reasonable way by the person's employer in connection with the person's employment or performance. Workplace harassment or discrimination usually consists of a pattern of unwelcome behaviour. There is no requirement that the harasser intends to offend or harm in order for it to be unlawful. Harassment or discrimination in a given situation is regulated and defined by applicable laws and legal practices.

Harassment or discrimination can be non-verbal, verbal or physical and can include physical injury, repeated threats of dismissal or punishment, maliciously isolating a person from workplace activities, humiliating a person through gestures, sarcasm, ridicule etc, or sabotaging a person's work. In some instances, the behaviour might take place outside the workplace while Mandalay business is being conducted or at an event organized by Mandalay.

Mandalay's obligations toward all employees covers harassment by third parties such as clients, customers, other organizations and members of the public, towards an employee, while the employee is conducting Mandalay business.

It is recognized that workplace harassment may involve comments and behaviours that offend some people and not others, and individuals may react differently to comments and behaviour.

Workplace Bullying

Workplace bullying is the "repeated, less favourable treatment of a person by another or others in the workplace, which may be considered unreasonable and inappropriate workplace practice." It includes behaviour that intimidates, offends, degrades or humiliates a worker, possibly in front of co-workers, clients or customers. Bullying behaviours can range from subtle intimidation to more obvious aggressive tactics. Workplace bullying may include:

- verbal abuse and yelling, may include yelling, swearing, or intimidating behaviour;
- isolating employees from normal work interaction, training etc.;
- tampering with an employee's personal effects or work equipment;
- teasing or regularly making someone the brunt of pranks or practical jokes;
- repeated threats of dismissal or other severe punishment for no reason;
- constant ridicule and being put down;
- leaving offensive messages on email or the telephone;

- sabotaging a person's work, for example, by deliberately withholding or supplying incorrect information, hiding documents or equipment, not passing on messages and getting a person into trouble in other ways;
- persistent and unjustified criticism, often about petty, irrelevant or insignificant matters;
- humiliating a person through gestures, sarcasm, criticisms and insults, often in front of customers, management or other workers; and
- spreading gossip or false, malicious rumours about a person with an intent to cause the person harm, or with the effect of causing such harm.

Mandalay Resources considers workplace harassment and bullying to be unacceptable forms of behaviour, which will not be tolerated under any circumstances. Mandalay believes that all employees have the right to work in an environment free of intimidation, threat and humiliation. Workplace harassment and bullying in any form is disruptive to the job performance of co-workers.

GUIDELINES

Mandalay Resources' operations will ensure that

- all Managers and Supervisors are effectively managing workplace harassment and bullying, and are conversant and up to date with applicable laws and rules regulating discrimination and harassment as well as other parts covered by this policy, in each country where Mandalay has employees;
- an employee issue reporting system (the Employee Issue Resolution Process), is in place and communicated to all employees so that in the event of harassment or bullying, employees know where to go for assistance and what to expect. Details of the Employee Issue Resolution Process are to be posted prominently around all site.;
- the Non-Discrimination and Harassment Policy is displayed in a prominent location at all operation sites and has been effectively communicated to, and understood by all employees; and
- as part of its orientation process, all new employees are advised of the Non-Discrimination and Harassment Policy, the standards expected of them, and the procedures for making a complaint.

All Managers and Supervisors are responsible for:

- ensuring that all policies and practices are applied fairly, consistently and without bias to the affected parties;
- role-modelling non-discriminatory and non-harassing behaviour and practices within the workplace at all times;
- regularly reviewing the working environment to ensure that it is free from sexually explicit or offensive material;
- responsibly acting upon any behaviour within the working environment that may be construed as harassment or bullying;

- providing confidential advice and information to employees, including investigating any grievances or complaints that an employee may lodge, and doing so in a timely manner;
- ensuring that harassment and bullying does not occur at any level of Mandalay's activities;
- ensuring that all employees comply with the applicable legislation, which makes harassment and bullying unlawful;
- effectively addressing and eliminating harassment and bullying at all occupational levels within Mandalay;
- informing all employees of their responsibilities toward eliminating harassment and bullying;
- supporting procedures and guidelines to enable the resolution of harassment and bullying complaints in a timely manner; and
- providing avenues for seeking redress, should harassment or bullying occur.

All employees are responsible for:

- understanding, respecting and applying the Non-Discrimination and Harassment Policy;
- ensuring that they do not harass or bully other employees;
- attempting to resolve any harassment or bullying matters with the employee/s, supervisor/s or manager/s involved, or the Human Resources manager and General Manager; and
- conducting themselves in a non-discriminatory manner at all times when conducting Mandalay business.

WHERE EMPLOYEES CAN GO FOR ASSISTANCE

An employee who is being harassed should contact their immediate supervisor, the operations manager, or the General Manager in the first instance for the management and resolution of a workplace harassment, discrimination or bullying complaint. The appropriate way to lodge an issue is with the Mandalay Employee Issue Resolution process.

All reports (written or verbal) of workplace harassment or bullying will be seriously treated and investigated. They will be addressed promptly, confidentially and impartially within a given time frame, and in a timely manner and through the Mandalay Employee Issue Resolution process.

Mandalay Resources encourages all employees to report workplace harassment, discrimination or bullying. Managers and Supervisors must ensure that employees who make either harassment, discrimination or workplace-bullying complaints, or are witnesses to such events, are not victimised, and that employees reported as harassing, discriminating or bullying employees are fully apprised of, and understand, the disciplinary process.

The employees of the Company also have an option to anonymously disclose concerns or complaints relating to any wrongdoings at the Company using the Company's whistleblower services. For more information on our whistleblower policy, visit www.mandalayresources.com.

Disciplinary action will be taken against anyone who is found to have discriminated against, harassed or bullied a co-worker or client. Discipline may involve a warning, counselling, demotion or dismissal depending on the circumstances and will be addressed in accordance with Mandalay's disciplinary procedures.

Those in authority who knowingly tolerate such behaviour are also guilty of misconduct and could be held liable for any case of harassment occurring in Mandalay. It is the responsibility of executive management, managers, supervisors and employees, to ensure that individuals are not subjected to discrimination, harassment or bullying by providing ongoing guidance to all employees on this Policy, as per the guidelines laid out above.

NON-COMPLIANCE

Failure to comply with this policy may lead to disciplinary action, up to and including termination of employment.