



## **MANDALAY RESOURCES**

### **MANDALAY RESOURCES CORPORATION**

(the “Company” or “Mandalay”)

### **WHISTLEBLOWER POLICY**

#### **PURPOSE**

Mandalay’s whistleblower policy (the “Policy”) governs the process through which the Company’s employees, suppliers, customers and community members or government at all jurisdictions of operations and projects, can anonymously and confidentially report any potential violation or concern contrary to the Company’s policies or local laws or regulations. The Policy describes the process that will be followed by the Company in evaluating and investigating such reports. In addition, this Policy establishes a mechanism to support and promote the Company’s values by encouraging our directors, officers, employees and managers to talk to their supervisors, managers or other appropriate personnel about any concerns they may have in respect of illegal or unethical behaviour or the appropriate response to any such behaviour.

#### **PRINCIPLES**

Mandalay is committed to maintaining the highest standards of business conduct and ethics and is governed by the Company Code of Business Conduct and Ethics and Timely Disclosure, Confidentiality and Insider Trading Policy. It is our policy to comply with and require our employees to comply with all applicable legal and regulatory requirements relating to corporate reporting and disclosure, accounting and auditing controls and procedures, securities compliance, internal accounting controls and matters that potentially involve fraud against the Company.

The internal controls and procedures at Mandalay are intended to prevent, deter and remedy any violation of the applicable laws and regulations. Even the best systems of control and procedures, however, cannot provide absolute safeguards against such violations. Mandalay has a responsibility to investigate and, if required, report violations to appropriate authorities.

Examples of concerns which might form the basis for a report under this Whistleblower Policy include:

- a) violation of any applicable law, rule or regulation that relates to corporate reporting and disclosure,
- b) fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Corporation,
- c) fraud or deliberate error in the recording and maintain of financial records of the Corporation,
- d) deficiencies in, or noncompliance with, the Company’s internal policies and controls, including the Company’s Code of Business Conduct and Ethics and Timely Disclosure, Confidentiality and Insider Trading Policy,

*As in effect August 2021*

- e) misrepresentation or a false statement by or to a director, officer or employee of the Company respecting a matter contained in the Company's financial records, reports or audit reports, and
- f) deviation from full and fair reporting of the Corporation's consolidated financial condition.

The employees of the Company also have an option to resolve employee issues locally using the Employee Issue Resolution Process. The General Managers at each operating site will make sure that the Policy is circulated annually to the Company's employees, suppliers, customers and community members at respective jurisdictions of operations and projects, to remind them of the existence of the Policy.

### **REPORTING ALLEGED VIOLATION OR CONCERN**

Mandalay has retained the services of WhistleBlower Security, an independent service provider to receive reports on an anonymous and confidential basis. This system provides Mandalay with the ability to dialogue, confidentially and discreetly, with the person filing a report. A whistleblower report can be filed as follows:

- a) Web: Visit [www.integritycounts.ca](http://www.integritycounts.ca), click on "File a Report" and follow step-by-step instructions to fill out the appropriate fields shown on the screen.
- b) Hotline: Call your preferred Country hotline and follow the verbal instructions of the Whistleblower Advisor. Be as specific as possible. You have the option to disclose your identity or not.
  - a. Australia: 0011-800-2002-0033
  - b. Sweden: 001-800-2002-0033
  - c. Chile: 123-0020-3914
  - d. North America: 1-866-921-6714
- c) Email: Email WhistleBlower Security directly at [mandalay@integritycounts.ca](mailto:mandalay@integritycounts.ca) using your company's email address.
- d) Mail: Mail information to WhistleBlower Security | ATTN: Mandalay Resources Corporation | PO Box 91880 | West Vancouver, BC, Canada, V7V 4S4.

### **Confidentiality**

All reports lodged through the WhistleBlower Security system will be handled with utmost confidentiality to the fullest extent possible, consistent with the need to conduct an appropriate investigation. Only people directly involved with investigating or responding to a report will have access to information about the report.

### **Response to Whistleblower Report**

The Corporate Secretary will acknowledge receipt of a whistleblower report, although it is not generally the intention to communicate to the person making the complaint the status of its review

or resolution. All reports will be promptly dealt with and appropriate corrective action will be taken, if needed.

The Corporate Secretary will review reports of alleged violations with the Executive Management Team and the Audit Committee chair to determine next steps for investigating and responding to the report. The full Board of Directors of Mandalay will receive a quarterly summary of reports filed through the WhistleBlower Security system. The Chair of the Audit Committee retains ultimate accountability for the investigation and response to reports filed through the Whistleblower Security system.

### **Safeguards for Employees**

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee as a result of any good faith reporting of complaints as contemplated in these procedures. In accordance with the Company's Non-Discrimination and Harassment Policy, Mandalay will also not tolerate any harassment, victimization or informal pressure of any employee, including as a result of the employee reporting a complaint under these procedures. Such conduct will be subject to serious disciplinary action up to and including dismissal. The Company will take the reasonable action to protect any employee who files a whistleblower report in good faith.

### **False and Malicious Allegations**

The Company will treat all reports filed with WhistleBlower Security seriously. The system should only be used for reporting behaviour that is genuinely believed to involve behaviour that is inconsistent with Mandalay's standards of business conduct and ethics.