

## CONA RESOURCES LTD.

### INVESTIGATION OF COMPLAINTS POLICY

#### I. POLICY

It is the policy of Cona Resources Ltd. (“**Cona**”) to observe high ethical standards in all of its activities. In matters of financial integrity (including fraud, misappropriation of assets or other financial misconduct), corporate reporting and disclosure, accounting and auditing and internal accounting and auditing controls, and compliance with applicable securities laws, in particular, Cona seeks to ensure that all transactions and corporate assets are properly accounted for and that all audits and investigations are thorough and complete. It is also important to Cona that it maintains the confidence of employees, consultants, shareholders, customers, suppliers, regulators and the public in the quality of its accounting and general standards of business conduct.

In addition, National Instrument 52-110 *Audit Committees* has created standards for audit committees. It provides that a company’s audit committee of the board of directors is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by Cona regarding accounting, internal accounting controls or auditing matters (for purposes hereof, “**Complaints**”); and
- (b) the confidential, anonymous submission by employees of Cona of concerns regarding questionable accounting or auditing matters (for purpose hereof, “**Accounting Concerns**”).

Furthermore, management and the board of directors of Cona (the “**Board**”) believe that employees and consultants need an anonymous system to report breaches of the Code of Conduct (“**Business Concerns**”). Business Concerns and Accounting Concerns are collectively referred to as “**Concerns**”. The Audit Committee of the Board (the “**Audit Committee**”) shall be primarily responsible for all financial matters, while the Corporate Governance and Compensation Committee of the Board (the “**Governance Committee**”) shall be primarily responsible for non-financial matters.

#### II. PROCEDURES

Where at all possible, employees, consultants and other persons are encouraged to bring matters forward through normal business channels such as speaking to their supervisor or department head.

In addition to the foregoing, in order to fulfill the foregoing obligations, the Audit Committee has adopted the procedures set forth below for the submission by any person (including external stakeholders) of Complaints and for the confidential, anonymous submission by any employee or consultant of Cona of Concerns. The program established to facilitate this reporting system will be known as the Investigation Program.

(a) **Submission of Complaints**

Any person may submit a Complaint and any of Cona's employees or consultants may confidentially and anonymously submit a Concern by using any of the following methods:

- (i) directly to any one of the following (each a "**Corporate Representative**"), by any of the following methods:

*Corporate Secretary*

Name: Noralee Bradley  
Telephone: (403) 260-9684  
Email: noralee.bradley@blakes.com  
Mailing Address: Cona Resources Inc.  
Corporate Secretary  
c/o Suite 3500, 855 2 Street SW  
Calgary, Alberta T2P 4J8

*Vice President, Human Resources*

Name: Wendy Mullane  
Telephone: (403) 930-3019  
Email: wendy.mullane@conaresources.com

*Chief Operating Officer*

Name: Rob Will  
Telephone: (403) 930-3062  
Email: rob.will@conaresources.com

*Chief Executive Officer*

Name: Rob Morgan  
Telephone: (403) 930-3003  
Email: rob.morgan@conaresources.com

The mailing address for each of the Vice President, Human Resources, Chief Operating Officer and Chief Executive Officer is: Cona Resources Inc., 1900, 421 7 Avenue SW, Calgary, Alberta T2P 4K9.

- (ii) by contacting Cona's Integrity Hotline. The Integrity Hotline is administered by an independent third party provider that specializes in handling confidential complaints.

Telephone: 1-866-529-9589  
Email: ethics.alert@mp.ca

The independent third party provider allows for the confidential, anonymous communication to the Audit Committee, or where appropriate the Governance

Committee, of the Board or its designates, of information related to Cona that may affect the ethics, values or financial affairs of Cona.

The Complaint or Concern should be described in as much detail as possible to permit a thorough analysis, investigation and resolution by Cona.

(b) **Confidentiality and Anonymity**

While the Investigation Program is one of confidentiality and anonymity, reporting employees and other persons may at their discretion divulge their identity. Any employee, consultant or other person wishing to submit a Complaint or Concern by any of the methods described above on a confidential, anonymous basis need not identify himself or herself, and Cona will not attempt to identify such employee, consultant or other person. If the employee, consultant or other person submitting the Complaint or Concern identifies himself or herself to Cona, Cona will not disclose such employee's, consultant's or other person's identity within Cona or outside Cona without their prior consent, except as necessary to investigate the Complaint or Concern or unless otherwise required by law. Notwithstanding the employee's, consultant's or other person's request to submit the Complaint or Concern confidentially and anonymously, information contained in any Complaint or Concern submitted by the employee, consultant or other person may be summarized, abstracted and aggregated by Cona in a manner that does not disclose the employee's, consultant's or other person's identity for purposes of analysis, investigation, resolution and reporting.

Cona and its directors, officers and employees will not discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate, and it shall be a violation of Cona's Code of Business Conduct for any person to take any such action, against any employee or consultant who reported, or designate who investigated, a Complaint or Concern submitted in good faith.

If the identity of the reporter or designate becomes known to anyone within Cona, the Audit Committee or Governance Committee, as the case may be, will monitor any disciplinary action taken against any such person. The purpose of this monitoring is to ensure that reporters of valid matters that are made in good faith, and the designates acting in good faith, are protected from retaliation.

(c) **Administration and Oversight**

Subject to the authority of the Chair of the relevant Committee, the Corporate Representative shall be responsible for oversight of the investigation and resolution of any Complaint or Concern and reporting thereon to the Audit Committee or the Governance Committee, as the case may be.

The third party provider will promptly forward any matters reported to the Investigation Program to the Audit Committee or the Governance Committee, as the case may be, or its designates, and the Corporate Secretary.

The Chair of the Audit Committee shall be promptly notified of any Complaint or Accounting Concern by the applicable Corporate Representative. The Chair of the Audit Committee will promptly notify the full Board if the Chair believes the Complaint or Accounting Concern to be a major issue or that it could lead to public disclosure. The

Chair of the Audit Committee, upon consultation with the remaining members of the Audit Committee, shall have the authority to determine the manner and timing of, and to oversee, the investigation and resolution of any Complaint or Accounting Concern, using such of Cona's resources and external advisors as the Audit Committee deems appropriate, or to rely on the applicable Corporate Representative to oversee such investigation and resolution. Cona shall pay the cost of any external advisors retained by the Chair of the Audit Committee pursuant to this Section. If on preliminary investigation the matter is judged to be wholly without substance or merit, or any Complaint or Concern not to have been raised in good faith, the matter may be dismissed.

The Chair of the Governance Committee shall be promptly notified of any material Business Concern by the applicable Corporate Representative. The Chair of the Governance Committee will promptly notify the full Board if the Chair believes the Business Concern to be a major issue or that it could lead to public disclosure. The Chair of the Governance Committee, upon consultation with the remaining members of the Governance Committee, shall have the authority to determine the manner and timing of, and to oversee, the investigation and resolution of the Business Concern, using such of Cona's resources and external advisors as the Governance Committee deems appropriate, or to rely on the applicable Corporate Representative to oversee such investigation and resolution. Cona shall pay the cost of any external advisors retained by the Chair of the Governance Committee pursuant to this Section. If on preliminary investigation the matter is judged to be wholly without substance or merit, or the Concern not to have been raised in good faith, the matter may be dismissed.

Proper investigation may require a dialogue with the reporting employee or consultant. To the extent the employee, consultant or other person is willing to do so a confidential anonymous dialogue between the employee, consultant or other person and the Audit Committee or Governance Committee, as the case may be, or its designate or the applicable Corporate Representative, will be conducted using the resources of the third party provider.

Both the Audit Committee and the Governance Committee may appoint designates to act partially or wholly on its behalf to handle matters reported under the Investigation Program. Extreme care will be taken to help ensure that any designates are in no way directly or indirectly involved in any matters reported. Designates may include, but are not limited to, external legal counsel, or senior personnel.

At least monthly, the Corporate Secretary will receive directly from the third party provider a summary of all relevant activities on all open matters, or matters closed during the month. The Corporate Secretary shall report to Cona's Audit Committee at least quarterly on the status of Complaints and Accounting Concerns that have been submitted. The Chair of the Audit Committee shall report to the Board as frequently as the Chair of the Audit Committee deems appropriate but at least annually. The Corporate Secretary shall report to Cona's Governance Committee at least quarterly on the status of Business Concerns (promptly for any major Business Concerns). The Chair of the Governance Committee shall report to the Board as frequently as the Chair of the Governance Committee deems appropriate but at least annually.

The third party provider's systems will be used to maintain a comprehensive audit trail of all reported information under the Investigation Program and all actions being taken on each case by the Audit Committee or Governance Committee, as the case may be, or its

designates. The relevant Committee shall maintain a file of each Complaint and Concern, which shall include information regarding (a) the initial submission of the Complaint or Concern; (b) reporting of the Complaint or Concern to the Audit Committee or Governance Committee and Board; (c) investigation of the Complaint or Concern; (d) resolution of the Complaint or Concern; and (e) if applicable, public disclosure of the matter that is the subject of the Complaint or Concern.

The relevant Committee will retain as a part of its records the details of any matters or concerns for a period of at least 7 years.

### **III. REVIEW**

The Audit Committee shall review this Policy at least annually and make any necessary or appropriate modifications to them.

*Last updated **October 24, 2017.***