



## Our Values

- Operate safely, with environmental and social responsibility;
- Act with honesty and integrity to gain trust and respect from all stakeholders;
- Encourage and implement creative engineering and exploration solutions; and
- Actively listen and develop open and transparent communication with local communities and stakeholders in Peru.

# CODE OF CONDUCT

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APPENDIX A – Code of Conduct Acknowledgement	

## **A. Purpose:**

Each employee of Lupaka Gold Corp. or its affiliated companies including but not limited to Lupaka Gold Peru S.A.C. and Invicta Mining Corp. (hereafter and together called the “Company”) occupies a position of respect and trust and acts as an agent for the Company in relations with others.

The Company expects each employee to maintain the highest standards of ethics while acting on behalf of the Company and to enhance the Company’s reputation for concern of both the community and the individual.

To assure the foregoing, the Company has adopted a Code of Conduct (the “Code”) setting forth the required standard of behavior. On an annual basis, all Employees shall complete a review of the Code in effect at the time, and provide the Company’s Corporate Secretary with a signed acknowledgement in a form as set out in Appendix A.

**Please be aware that failure to comply with the Code may have serious consequences, including termination.**

## **B. Scope:**

The Code applies to all employees (permanent or temporary), agents, contractors, consultants, officers, directors, and members of committees appointed by the Board of Directors, and the term “Employee” is meant to refer to each of the foregoing. Directors and officers are subject to additional duties and obligations established by law and by Company policy.

The measures of the Code are mandatory and compliance is required under all circumstances where the Company’s business is being carried out. Employees should also recognize that even when they are acting in a private capacity, their activities may reflect on the Company, and should consider refraining from any behaviour that would be contrary to the Code .The Code shall be provided to each new Employee as part of their induction.

An annual review of the Code will be undertaken.

## **C. Commitments:**

### **1. Compliance with Law**

The Company and its Employees shall comply with all laws, applicable to the conduct of the Company’s business.

#### *Discussion:*

If an Employee is in doubt about the application of any legal requirements, they should refer the matter to their Supervisor or seek advice from their Country Manager, the President & CEO or the Chief Financial Officer.

Many of the Company’s activities are subject to complex, changing and, in some cases, conflicting laws in Peru and abroad, but ignorance of the law is not a defence. Agreements or arrangements need not be in writing for an illegal act to be inferred from the conduct of parties. Accordingly, Employees must diligently seek to avoid conduct which might be interpreted as being contrary to the law in any jurisdiction in which the Company does

business, and should seek the advice of their Supervisor, Country Manager, the President & CEO or the Chief Financial Officer where there is uncertainty.

Included in compliance with law is compliance with applicable environmental laws, which in turn involves compliance with commitments made by the Company in its environmental permits.

Respect for the property rights of others is an important part of compliance with law. The unauthorized use of another person's property, including intellectual property such as software or music (e.g. pirated or downloaded copies), is a violation of the Code.

## **2. Gifts and Entertainment**

Employees shall not offer or furnish on behalf of the Company expensive gifts or excessive entertainment or benefits to other persons and shall not use their employment status to obtain personal benefits from those doing or seeking to do business with the Company or from other Employees.

### *Discussion:*

Employees whose duties require them to do so may furnish modest gifts, favours and entertainment provided that all of the following tests are met:

- they are not in a form (such as cash, bonds or negotiable securities) or of sufficient value to be construed as being a bribe, payoff or any other improper payment;
- they are made as a matter of general and accepted business practice;
- they do not violate the law and are made in accord with generally accepted local ethical practices and standards; and
- if they subsequently became a matter of public attention, they would not in any way reflect unfavourably on the Company or the recipients.

For example, reasonable expenses for the entertainment of customers, prospective Employees or business associates are permissible on the part of Employees whose duties require the provision of such entertainment, provided proper accounting is made.

Employees shall neither seek nor accept gifts, payments, services, fees, valuable privileges, pleasure or vacation trips or accommodations or loans from any person (except from persons in the business of lending and then on conventional terms) or from a supplier, or any other person, organization or group that does, or seeks to do, business with the Company, or from a competitor of the Company. However, Employees may accept modest gifts, favours or entertainment provided that in so doing, standards consistent with the test relating to the furnishing of gifts set forth above are met.

Employees shall neither solicit nor accept contributions of cash, goods or services from suppliers or others doing business with or seeking to do business with the Company for personal or Company activities or functions. With the prior written consent of the Country Manager or President & CEO, Employees may solicit contributions for charitable causes.

On rare occasions, Employees may find themselves in a situation where a significant gift is presented to mark an important development, such as a milestone shipment to a customer. If refusal of the gift would cause public embarrassment to the giver, the Employee may accept such gift provided that it accepted on behalf of the Company and is promptly installed on the Company premises.

### **3. Bribery**

The Company and its Employees shall neither give nor offer bribes or other compensation to public officials or the families or associates thereof. All dealings between Employees and public officials shall be conducted in a manner that will not compromise the integrity or reputation of such public official, the Company, or its shareholders.

Employees shall report all instances of bribery or attempted bribery, to their Supervisor or Country Manager and the President & CEO.

*Discussion:*

Under no circumstances shall the Company or any Employee pay a government official for the issuance of a permit or other valuable right, or for refraining from applying sanctions against the Company.

On occasion, public officials may not be able to carry out their duties unassisted due to lack of resources. For example, it may be necessary for an official to inspect an installation of the Company in order to grant a permit, but the official may lack access to transportation required to make such an inspection. In such circumstances it may be permissible for the Company to provide transportation to such official in order that the inspection can be carried out. The test is whether or not the official obtains a personal benefit.

### **4. Books and Records**

The Company's books and records must reflect, in an accurate and timely manner, all Company transactions.

*Discussion:*

No undisclosed or unrecorded funds, payments, obligations, bank accounts or assets are permissible.

The use of Company funds or assets for any unlawful or improper purpose is strictly prohibited.

Those responsible for the accounting and record keeping functions are expected to be vigilant in ensuring enforcement of this policy.

### **5. Political Contributions**

The material use of Company funds, property, goods or services as direct contributions to political parties, candidates, campaigns or referendum is forbidden unless authorized in writing by the Country Manager and President & CEO.

*Discussion:*

Contributions include money or anything having material value, such as goods, services, loans, excessive entertainment, trips and the direct and ongoing use of the Company's facilities or assets.

Employees shall not be reimbursed for political contributions that they make, whether directly (by means of a payment of any sort) or indirectly (for example, purchasing a ticket for a political fundraising event).

The Company encourages political activity and political involvement by its Employees in support of parties, candidates and issues of their choice, but only when acting on their own behalf and on their own time, and not as a representative of the Company.

## **6. Good Faith Dealings**

Employees shall at all times act in good faith in conducting the Company's business activities, and shall conduct themselves in a manner that promotes mutual respect between the Company and its suppliers, customers, lenders, contractors and regulatory authorities, as well as government officials and others.

### *Discussion:*

Deceitful or deceptive behaviour in furthering the Company's interests is not acceptable. The Company requires its Employees to observe policies with respect to business processes. One example would be strict confidentiality when handling sealed bids.

The Company has entered into a number of agreements with customers, suppliers, contractors, lenders and government agencies. In such agreements the Company has made numerous commitments. Employees charged with the administration of such agreements shall be diligent in ensuring that such commitments are complied with.

## **7. Conflict of Interest**

Employees must use best efforts to avoid all situations in which their personal interests conflict or might appear to conflict with their duties to the Company.

Where actual or potential conflicts may exist, the Employee must report such conflicts to their Supervisor, in writing, and refrain from participating in any related decision or act.

### *Discussion:*

Company policy prohibits conflicts of interest. A conflict of interest occurs when an individual's personal interest takes precedence, interferes in any way, or even appears to take precedence over the interests of the Company as a whole. Conflicts of interest arise when an Employee, or a member of their family, receives improper personal benefits as a result of their position in the Company. Such conflicts of interest can undermine an employee's business judgment and their responsibility to the Company and threaten the Company's business and reputation.

Accordingly, all apparent, potential, and actual conflicts of interest should be scrupulously avoided.

Conflicts of interest include, but not limited to:

- **Corporate Opportunities.** Using corporate property, information or position for personal gain.
- **Loans.** Providing loans to, or guarantees of obligations of, Employees or their family members.
- **Outside Activity.** Engaging in an outside activity that materially detracts from or interferes with the performance of an Employee in their service to the Company.

- **Outside Employment.** Serving as a director, representative, employee, partner, consultant or agent of, providing services to, or being paid in any form by an enterprise that is a supplier, customer or competitor of the Company.
- **Personal Interests.** Having a direct or indirect personal financial interest in a business that competes with or provides goods or services to the Company.

**An exception to these and other conflict situations will only be made upon consultation with, and written approval from, the President of the Company.**

Employees must promptly communicate all potential and actual conflicts of interest to their Supervisor, including material transactions or relationships that reasonably could be expected to give rise to such a conflict or the appearance of such a conflict.

Employees should take care to report conflicts to a person who they believe is not involved in the matter giving rise to the conflict.

If the Employee feels that it is necessary, the Employee should use the Company's Whistle Blower procedure for a confidential, anonymous submission of any concerns regarding inappropriate use of Company assets.

The Whistle Blower procedure and policy is posted in work sites and is available on the Company's web site.

## **8. Proper Use of Company Assets**

It is each Employee's responsibility to ensure the proper and efficient use of Company assets, which include, but are not limited to:

- Cash
- Electronic communication systems
- Equipment
- Facilities
- Information (proprietary or otherwise)
- Intangible assets, such as
  - Corporate name or brand
  - Corporate discounts, or
  - Trade credit accounts
- Materials

### *Discussion:*

It is each Employee's responsibility to ensure that the Company's assets are used solely for legitimate business purposes of the Company and only by those authorized.

Theft, personal use, waste of or carelessness in using Company assets is not allowed. Employees must act in a manner to protect such assets from loss, damage, misuse, theft, removal and waste, and ensure that Company assets are used only for legitimate business purposes.

## **9. Confidentiality**

Unless previously published and available to the public, any of the Company's records, reports, papers, devices, processes, plans, methods and apparatus are considered by the

Company to be private and confidential, and Employees are prohibited from revealing information concerning such matters without proper authorization.

Likewise, the confidentiality of information obtained from suppliers, customers and others, in the course of business, shall be respected in accordance with the confidentiality provisions of applicable agreements.

*Discussion:*

Customers, suppliers, employees and the public should have such information about the Company as is necessary for them to judge adequately the Company and its activities. The Company believes that full and complete reporting to regulatory agencies through its stockholders and the provision by properly authorized Employees of the Company of information required by the public constitute a responsibility and workable approach to disclosure. However, except as required by law, the Company will not disclose information which might impair its own competitive effectiveness or which might violate the privacy rights of Employees, other individuals or institutions.

Outside speeches or articles for publication containing information relating to the Company's affairs or activities, other than materials prepared by the Corporate Communications Department in the ordinary course of business, require approval in advance by the Country Manager or President & CEO.

Confidential Information obtained from suppliers or customers shall not be used except in accordance with relevant agreements. For example, confidential terms of an existing agreement with a supplier shall not be used against such suppliers' interests in dealings with competitors of such supplier.

Particular care must be exercised in connection with matters such as exploration, work programs, resource grades and ore reserves of properties owned or managed by the Company or any of its shareholders or in which the Company or any of its shareholders may be interested.

Employee personal information shall be kept confidential in accordance with this policy.

## **10. Insider Trading**

Material non-public information obtained by an Employee shall not be disclosed to others and shall not be used for personal financial gain.

*Discussion:*

Misuse of confidential information is a violation of Securities Laws as well as Company policy.

Confidential information that the Company's Employees may have access to includes information concerning significant discoveries, sales or earnings figures, financial, accounting or information concerning major contracts.

Particular care must be exercised in connection with matters such as exploration, work programs, resource grades and ore reserves of properties owned or managed by the Company or any of its shareholders or in which the Company or any of its shareholders may be interested.

## **11. Discrimination and Harassment**

Employees will support and promote the Company's policy of providing a work environment within which individuals are treated with respect, are provided with equality of opportunity based on merit, and are kept free of all forms of discrimination and harassment.

### *Discussion:*

Discrimination or harassment will not be tolerated at any level in the Company or in any part of the employment relationship. This includes areas such as recruitment, promotion, training opportunities, salary, benefits and terminations. Employees are to be treated as individuals and given opportunities based on merit and ability to do the work.

Employees are required to sustain an environment that encourages personal respect. Differences between individuals, such as age, race, national or regional origin, gender, sexual orientation, culture, religion and physical abilities, are to be respected.

Employees can expect to have their dignity honoured and their rights protected.

Employees are entitled to freedom from sexual and all other forms of personal harassment.

## **12. Sustainable Development**

The Company and its Employees are committed to Sustainable Development.

### *Discussion:*

Sustainable Development means development that meets the needs of present generations without compromising the ability of future generations to meet their needs.

Application of the concept of Sustainable Development requires the balancing of good stewardship in the protection of human health and the natural environment with the need of economic operations.

Employees will diligently apply technically proven and economically feasible environmental and health protection measures to meet the requirements of applicable legislation, permits, and the Company's Health, Safety, Environment and Community Policy.

## **13. Social Responsibility**

The Company and its Employees are committed to social responsibility.

### *Discussion:*

The Company has created a Health, Safety, Environment and Community Policy to guide its Employees on social responsibility matters. Accordingly, the Company and its Employees shall:

- Respect the culture, traditions and values of both the individual and groups affected by the Company's operations;
- Minimize risks to the environments in which the Company operates;
- Recognize communities as stakeholders and commit to consultation and communication;



- Participate in the sustainable social, economic and institutional development of the communities in which we operate; and
- Integrate our objectives with local, regional and national objectives.

#### **14. Other Company Policies**

The Company expects Employees to exercise common sense and reasonable judgment in the performance of their duties and responsibilities. This requires Employees to use diligence in complying with the Company's internal policies as they currently exist and as new such policies are developed and released.

*Discussion:*

The Company will, from time to time, be establishing policies dealing with various business processes, such as procurement, purchasing, bid-handling, expense reports, use of email and the like. Supervisors are expected to be familiar with all policies that apply to the conduct of their department's business and ensure that they are observed at all times.

#### **D. Compliance:**

An Employee who becomes aware of a possible violation of the Code shall report the matter promptly to their Supervisor, Country Manager, President & CEO or Chief Financial Officer.

If after due process it is determined that a violation of the Code has occurred, sanctions will be taken after consultation with Human Resources and the President & CEO. Such sanctions could include termination with cause. In the event that such violation involves an illegal activity, such violation shall be reported to appropriate authorities.

It is the Company's policy to report all suspected cases of fraud to the Audit Committee and the Board of Directors.

Anyone who retaliates or threatens retaliation against an Employee that reports a violation of the Code shall be subject to immediate termination.

#### **E. Administration:**

The President & CEO shall be responsible for the overall administration of the Code.

**Sponsored by:** Eric Edwards, President & CEO     **Approved by:** Board of Directors

**Effective date:** March 26, 2015

**APPENDIX A**

**LUPAKA GOLD CORP.  
CODE OF CONDUCT**

**ACKNOWLEDGEMENT**

The undersigned has received a copy of this Code of Conduct, has read this Code of Conduct and agrees to abide by the terms of this Code of Conduct.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(please print)