

Code of Conduct

Objective

The reputation and integrity of Mongold and its subsidiaries (“the Company” or “Mongold”) depends on its directors and employees acting, and being seen to be acting, in a way that is consistent with best practice for corporate governance in the communities in which we operate.

Mongold expects all employees to adhere to the highest standards of personal and professional integrity and to avoid any conduct that might reflect unfavourably upon them, other employees or upon the Company.

The Company’s business goals are important and demanding but these goals must be achieved honestly and ethically.

With these qualifications in mind, Mongold has adopted this Code of Conduct (“Code”) which sets forth the standards of behaviour that the Company and its subsidiaries require of their officers and employees, and it applies to the Mongold in its entirety.

Action or failure of action, in contravention of the Code may be considered as unauthorized and outside the course of employment, and the Company will not indemnify the officer or employee for his or her costs that arise out of such conduct.

Employees are encouraged to discuss the application of this Code to specific business circumstances with and are required to report any contravention of the Code to: the Chairman of Mongold; the Chief Executive Officer (“CEO”); the Chief Financial Officer (“CFO”); the Country Director or the Mine Director (“Company Representatives”).

Ethical Business Conduct

The provisions of this Code are mandatory and apply to all employees of Mongold, any subsidiaries and to joint ventures managed by Mongold.

It will be the responsibility of the CEO to ensure that the provisions of this Code are complied with.

Compliance is expected under all circumstances. Every employee who has executive or managerial responsibilities is expected to ensure that the provisions of this Code are communicated to employees reporting to him or her and must report any contravention of this Code promptly to a Company Representative.

The Code affirms, in specific terms, the Company’s commitment to uphold high moral and ethical standards and sets out basic behavioural standards required of those conducting its business.

Over zealotry, good intentions, and failure to seek timely legal advice will not excuse violations of this Code. While the Company’s activities are subject to a variety of laws and customs in the various jurisdictions throughout the world in which it operates, the Board of Directors believes that honesty, integrity, and fairness are the essential standards to be observed.

Compliance with the Law

Employees are expected to comply with the laws and regulations of the country in which they operate.

Ignorance of the law is not a defence. Moreover, agreements or arrangements need not necessarily be in writing for contravention to be inferred from the conduct of the parties. If this Code does not cover a particular situation or if the application or interpretation of a local law is uncertain, or in circumstances where the proper course of ethical conduct is unclear, employees should seek the assistance of their supervisor who, if necessary, should seek competent local legal advice. If there is insufficient time to obtain such advice, employees should conduct themselves in a manner they would not hesitate to have publicly disclosed. Supervisors, on learning of any contravention of this Code, shall take appropriate corrective action and shall immediately report the contravention to a Company Representative.

Conflicts of Interest

Directors and employees should not engage in activities or hold property which would involve a material conflict of interest, and which might impair the exercise of their independent judgment, fiduciary responsibility, initiative, or efficiency in acting for the Company, or expose the employee and/or the Company to legal liability or public criticism. If a conflict of interest or potential conflict of interest arises, immediate full disclosure shall be made to the Chairman, the CEO or the CFO whichever is the most appropriate, and they shall manage the conflict in such a way that the interests of the Company as a whole are safeguarded.

Disclosure of any personal situation or transaction which may be in conflict with the intent of this Code shall be made promptly and in writing to the employee's immediate supervisor. The supervisor shall determine what action, if any, the supervisor should take and what action the employee should take and shall recommend that action in writing for approval by the next higher level of management.

If a conflict exists and there is no failure of good faith on the part of the employee, it will be the Company's policy to allow a reasonable amount of time for the employee to correct the situation in order to prevent undue hardship or loss. Decisions in this regard shall, however, be within the sole discretion of the Company's Executive whose first concern must be to safeguard the interests of Mongold.

While a record of such reports will be kept by the Company for the purpose of any investigation, the report may be made anonymously. No one making such a report will be subject to any form of retribution.

Holding Interests or Investments with a Competitor, Customer or Supplier

Employees and their immediate family members must not have interests or investments in a competitor, customer, partner, co-venturer, or supplier of the Company that would create, or appear to create, a conflict of interest. A conflict of interest would not normally arise out of merely holding shares in a company. However, a conflict of interest could arise if, for example, the employee held shares in a company which is a supplier, and the employee was able to influence decisions relating to the award of contracts to that company.

Influencing Decisions concerning Employee's Family Members, Public or Private Officials

Employees must not be in a position of influence regarding the employment conditions or performance assessment of a partner or family member except in exceptional circumstances and with the knowledge of the employee's supervisor or as approved by the CEO in writing.

All dealings between employees and public or private officials must be conducted in a manner that will not compromise the integrity, or place in question, the reputation of the Company or such officials.

Confidentiality

It is a condition of employment that the employee shall not, unless authorized to do so, reveal to any person or company any information concerning the Company which is not already in the public domain.

This provision is consistent with and reinforces the terms and conditions in the Contract of Employment.

The Employee shall not use any information concerning the affairs of the Company for his/her personal benefit or enable others to use information for personal benefit.

On termination of employment, for whatever reason, the Employee shall remit to the Company all information, reports, maps, documents and materials which the Employee may have in his possession relating to the affairs of the Company or any affiliated Company. The Employee shall be subject to an obligation of secrecy and non-use regarding all information, ideas, techniques, process, and knowledge acquired regarding the affairs of the Company and any affiliated Company during employment which is not already in the public domain.

All inventions, information, ideas, techniques, processes, and knowledge developed by the Company or the Employee during employment shall be the property of the Company and the Employee shall have no right of ownership or right to patent such.

Any breach of the employee's obligation of confidentiality will justify the Company in obtaining an injunction to prevent further damage being done to the Company or its affairs resulting from this breach.

Furthermore, the Company is committed to recognizing and respecting the privacy of its employees. The Company will only collect and store personal information from employees confidentially, ethically, and lawfully and in a manner which is not unreasonably intrusive. Personal information will be used only for the purposes for which the Employee has disclosed it to the Company. However, the Company may use or disclose the Employee's personal information where it is necessary to prevent a serious threat to health or safety, or is required by law, or to enforce the law.

Professional Behaviour and Responsibility to Third Parties

All Employees are required to maintain the highest levels of professional conduct in their interactions with each other and in representing Mongold in the community in which they operate. Business relationships must be maintained in a manner which is consistent with the principles of honesty, integrity and fairness which meet, as a minimum, the laws applicable to behaviour in the work environment.

All forms of discrimination and harassment are prohibited. Mongold is committed to equal opportunity, personal rights, and freedom, in all aspects of its operations.

Each Employee has an obligation to use their best efforts to deal in a fair and responsible manner with each of the Company's third parties to allow the Company to build successful and lasting business relationships.

Mongold does not and will not seek competitive advantage through illegal or unethical business practices.

Employees must not take unfair advantage of anyone through manipulation, concealment, and abuse of privileged information, misrepresentation of material facts or any unfair dealing practice.

Responsibility to the Community

The Company will recognize, consider, and respect community issues which arise in relation to the Company's activities and comply with all applicable legal requirements.

The Company's ability to conduct business is directly affected by government decision-making. Therefore, the Company seeks to have open and constructive relationships with the governments of all countries in which the Company has a presence. The Company regularly shares information and opinions with governments' on issues that affect it. The exchange of information and opinions is essential to enable informed decision-making by both government officials and the Company. Employees must have permission to disclose information on the Company's operations to governments on behalf of the Company, and must ensure that the information is accurate, complete, and disclosed in accordance with the Company's disclosure practices. Errors or omissions may be construed as a violation of the country's laws or regulations and may damage the Company's credibility.

Responsibility to Employees

The Company recognizes and values the contribution made by its employees. The following values guide its employment practices:

- Safe and healthy work environment
- Compliance with laws and regulations
- Absence of discrimination and harassment
- Respect of environmental obligations and appropriate practices to enforce compliance

Employee Conduct

- Employees shall not engage in any illegal activities.
- Employees will be expected to act and behave in a professional manner and to diligently fulfil their responsibilities to the highest professional and ethical standard.
- Employees shall conduct their affairs with contractors and suppliers in such a manner that the interests of the Company are not compromised in any way.
- Employees will respect the local culture, politics, religion, customs, and lifestyle of any country that the employee may be required to visit on Company business.
- Employees shall not become involved in any way whatsoever in the local political, business, religious, or socio-economic situation in any countries that the Employee may be required to visit on company business without the prior written approval of the CEO.

- Employees will respect their peers, subordinates, supervisors, and the Company.
- Employees will be required to be honest in dealings with fellow employees, suppliers/contractors, and all stakeholders, including affected communities.
- Employees will respect and they will not discriminate against any other person for whatever reason, including but not limited to race, culture, politics, religion, gender, age, or lifestyle.
- Employees are required to exercise good timekeeping.
- The Company follows safety procedures which facilitate a safe workplace for all employees. Each Employee is expected to actively comply with these procedures.

External Employee Activities

The Company commends part-time participation by its employees in community service and management and will, whenever practicable, approve and support such activity. Employees should, however, obtain approval before assuming any office or directorship or participating in any activity that may tend to deprive the Company of the time and attention required of the employee to perform his or her duties properly.

Drugs and Alcohol

The Company's procedures include a comprehensive drug and alcohol testing programme. The Company runs the testing programme in the workplace and will take strict disciplinary action if an Employee is found to be adversely affected by drugs or alcohol.

The Company does not allow persons that are affected by drugs and/or alcohol in the workplace to operate any Company vehicles or equipment.

The Company reserves the right to carry out:

- Random searches for narcotic drugs and/or alcohol; and
- Random testing of people in the workplace or operating Company vehicles and equipment to identify those persons affected by drugs and/or alcohol. Those found in possession of narcotic drugs or affected by alcohol and/or drugs will be subject to disciplinary action which may include summary dismissal depending on the severity and circumstance of the incident.

Gifts, Benefits and Entertainment

Employees must not seek, offer, or accept any payments, gifts, benefits, or entertainment beyond that which is considered as normal and legitimate business practice. If a gift is offered to an employee that could be construed by others as improper, the offer of the gift must be reported to that Employee's manager whose approval is required before such a gift can be accepted. It is important to assess the value having regard to local customs and traditions.

A record of any gift, entertainment or other personal favour or assistance given or received which has a value in excess of US \$100 must be declared to the employee's department manager in accordance with Mongold's Anti-Corruption and Bribery Standard.

Any gift may be viewed as a bribe if it is not declared. What constitutes a bribe and Mongold's adopted framework detailing more fully what may or may not be considered to be acceptable as a gift or hospitality are set out on Mongold's Anti-corruption and Bribery Standard which all employees are required to adhere to.

Use of Knowledge and Information

Employees shall not make improper use of knowledge, information, documents, or other Company resources. Employees must respect the confidentiality and observe the privacy of information about the Company, and fellow employees. The security and proper use of Company information is mandatory.

No Employee shall use confidential information or information about the Company that is not publicly available for their own private gain, or that of others.

The obligation not to misuse confidential or inside information and to respect the privacy of information will continue after employment has ceased.

Improper Payments

Any payment made to a third party, such as an agent or a consultant, in connection with the obtaining of any order or benefit for the Company shall be no more than an amount which by normal commercial standards would be properly and openly payable for the services rendered by the third party. Any payment in the nature of a bribe or “kick-back” is contrary to Company policy and is prohibited, as set out in the Company’s Anti-Corruption and Bribery Standard.

Responsibility to Shareholders and the Financial Community Generally

The Company is committed to delivering value to its shareholders and to representing the Company’s growth and progress truthfully and accurately. The Company also complies with the laws and regulations that govern shareholder’s rights.

The Company is committed to safeguarding the integrity of financial reporting and as such will openly promote and instigate a structure of review and authorization designed to ensure the truthful and factual presentation of the Company’s financial position.

The Company’s books, records and accounts are to reflect accurately, fairly and in reasonable detail, all transactions in accordance with the highest standards of integrity and applicable generally accepted accounting principles.

Appropriate records must be kept of all transactions and there are to be no cash funds, bank accounts, investments, or other assets, which are either not recorded or inadequately recorded on the books. No payment is to be approved without adequate supporting documentation.

Individuals and entities with which the Company deals may request commissions, service fees and other amounts are remitted to third persons or bank accounts in third countries. Such payments may only be made if:

- The amount payable does not arise from artificial additions to normal pricing
- Payment is authorized in writing by the individual or entity earning the commission, fee, or other amounts
- Payment is made to the same individual or entity to which it is owed or to an affiliate under common ownership; and
- Payment will not violate any applicable laws.

Open and honest disclosure is to be made to all reasonable enquiries of the Company's auditors and legal advisors.

Employees shall not influence, coerce, manipulate, or mislead any internal auditor or any independent person engaged by the Company in the performance of an audit or review for the purposes of rendering the financial statements materially misleading.

The Company's mineral reserves and resources must be defined, calculated, and disclosed in a manner consistent with applicable laws, security regulations and the Company's established procedures. All disclosures of reserves and resources must be reviewed and approved by a "Competent Person" before disclosure.

Mongold has obligations in relation to the periodic and continuous disclosure of information about the Company and its operations to its investors. In order to comply with its disclosure obligations, the Company has disclosure practices which are applicable to all employees.

Unless previously published, the Company's technical, commercial, and financial information is proprietary and confidential and Employees are prohibited from revealing such information to any person, except in the necessary course of business, without proper authorization.

Employees must not make personal use of corporate information, assets or business opportunities.

The Company has valuable resources in the form of tangible assets such as materials, supplies and equipment and intangible assets such as services, computer systems and confidential information.

Employee access to such assets is made in confidence so that they may be used within the limits of the Employee's authority for the advancement of the Company's business and not otherwise.

Compliance with this Code of Conduct

The Board, management and all Employees of the Company are committed to implementing this Code of Conduct. It is up to each individual to comply with this Code and therefore, individuals will be accountable for such compliance.

Breaches of Code of Conduct

All employees are required to report to their managers any breach of the Code of Conduct. A report can be made to the immediate manager or any senior company officer and referred to the CEO or CFO, if the employee prefers this to that of reporting to their immediate manager.

Failure to adhere with laws and/or regulations governing the Company's business, this Code or other Company policy or requirement, may result in disciplinary action including termination and, if warranted, legal proceedings.

