

DESERT LION ENERGY LIMITED

CODE OF BUSINESS CONDUCT AND ETHICS

1. PURPOSE OF THIS CODE

This Code of Business Conduct and Ethics ("**Code**") of Desert Lion Energy Limited (the "**Company**") is in addition to the Code of Ethics established for the President and Chief Executive Officer, Chief Financial Officer and any other person performing such functions (the "**Financial Reporting Officers**") and is intended to document the principles of conduct and ethics to be followed by all of the Company's employees, officers and directors and any consultants or other external parties in a similar role with the Company. References herein to Desert Lion Energy Limited or the Company include any subsidiaries and/or affiliates of the Company.

Its purpose is to:

- (a) promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) promote avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- (c) promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company or its subsidiaries, files with, or submits to, the securities regulators and in other public communications made by the Company;
- (d) promote compliance with applicable governmental laws, rules and regulations;
- (e) promote the prompt internal reporting to an appropriate person of violations of this Code;
- (f) promote accountability for adherence to this Code;
- (g) provide guidance to employees, officers and directors to help them recognize and deal with ethical issues; and
- (h) foster the development of a culture of honesty and accountability within the Company.

Violations of this Code by an employee, officer or director are grounds for disciplinary action up to and including, but without limitation, immediate termination of employment or request for resignation of a directorship.

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2. WORKPLACE

2.1 A Nondiscriminatory Environment

The Company fosters a work environment in which all individuals are treated with respect and dignity. The Company is an equal opportunity employer and does not, as an organization nor does it permit its employees or directors to discriminate against employees, officers, directors or potential employees, officers or directors on the basis of race, color, religion, sex, national origin, age, sexual orientation or disability or any other category protected by Canadian federal or provincial laws and regulations and, in addition, in accordance with the laws or regulations applicable in the jurisdiction where such employees, officers or directors are located. The Company is committed to actions and policies to assure fair employment, including equal treatment in hiring, promotion, training, compensation, termination and corrective action and will not tolerate discrimination by its employees and agents. All acts which are discriminatory in nature are to be reported to a supervisor immediately.

2.2 Harassment-Free Workplace

The Company will not tolerate harassment of its employees, customers or suppliers in any form. Work place harassment includes engaging in the course of vexatious comment or conduct against a worker in a workplace that is known or ought reasonably to be known to be unwelcome.

2.3 Sexual Harassment

Sexual harassment is illegal and all employees, officers and directors are prohibited from engaging in any form of sexually harassing behavior. Sexual harassment means unwelcome sexual conduct, either visual, verbal or physical, and may include, but is not limited to, unwanted sexual advances, unwanted touching and suggestive touching, language of a sexual nature, telling sexual jokes, innuendoes, suggestions, suggestive looks and displaying sexually suggestive visual materials. All acts of sexual harassment are to be reported to a supervisor immediately.

2.4 Substance Abuse

The Company is committed to maintaining a safe and healthy work environment free of substance abuse. Employees, officers and directors are expected to perform their responsibilities in a professional manner and, to the degree that job performance or judgment may be hindered, be free from the effects of drugs and/or alcohol.

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2.5 Workplace Violence

The workplace must be free from violent behavior. Threatening, intimidating or aggressive behavior, as well as bullying, subjecting to ridicule or other similar behavior toward fellow employees or others in the workplace will not be tolerated. Workplace violence includes the exercise of physical force by a person against a worker in a workplace that causes or could cause physical injury to the worker. Workplace violence also includes the attempt to exercise physical force that could cause physical injury to a worker or a statement or behavior that is reasonable for a worker as a threat to exercise physical force. No weapons of any kind will be tolerated in the workplace unless such are required for property security purposes and then only after authorization by the Chief Executive Officer.

2.6 Employment of Family Members

Employment of more than one family member at any mine or office of the Company is permissible but the direct supervision of one family member by another is not permitted unless otherwise authorized by the Chief Executive Officer. Except for summer and co-op students, indirect supervision of a family member by another is also discouraged and requires the prior approval of the Chief Executive Officer. Any personnel actions affecting that employee must also be reviewed and endorsed by the Chief Executive Officer. In respect of this paragraph, if the employee in question has a “family member relationship” with the Chief Executive Officer, then the approval of the Chairman of the Audit Committee shall be substituted for any approval of the Chief Executive Officer.

3. ENVIRONMENT, HEALTH AND SAFETY

3.1 Environment

The Company is committed to sound environmental management. It is the intent of the Company to conduct itself in a manner having due respect for the environment and community at large as a responsible and caring corporate citizen. The Company is committed to managing all phases of its business in a manner that minimizes any adverse effects of its operations on the environment.

3.2 Health and Safety

The Company is committed to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. Employees must be aware of the safety issues and policies that affect their job, other employees and the community in general. Employees in a supervisory role, upon learning of any circumstance affecting the health and safety of the workplace or the community, must act immediately to address the situation. Employees must immediately advise their immediate supervisor of any workplace injury or any circumstance presenting a dangerous situation to them, other co-workers or the community in general, so that timely corrective action can be taken.

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4. THIRD PARTY RELATIONSHIPS

4.1 Conflict of Interest

Employees, officers and directors are required to act with honesty and integrity and to avoid any relationship or activity that might create, or appear to create, a conflict between their personal interests and the interests of the Company. Employees must disclose promptly in writing possible conflicts of interest to their immediate supervisor, or if the supervisor is involved in the conflict of interest, to that supervisor's superior. Officers and directors should disclose, in writing, any perceived conflicts to the Chairman of the Audit Committee.

Conflicts of interest arise where an individual's position or responsibilities with the Company present an opportunity for personal gain apart from the normal rewards of employment, officership or directorship, to the detriment of the Company. They also arise where a director's, officer's or employee's personal interests are inconsistent with those of the Company and create conflicting loyalties. Such conflicting loyalties can cause a director, officer or employee to give preference to personal interests in situations where corporate responsibilities should come first. Directors, officers and employees shall perform the responsibilities of their positions on the basis of what is in the best interests of the Company and free from the influence of personal considerations and relationships.

Directors, officers and employees shall not acquire any property, security or any business interest which they know that the Company is interested in acquiring. Moreover, based on such advance information, directors, officers and employees shall not acquire any property, security or business interest for speculation or investment. It is not, however, typically considered a conflict of interest if an employee, officer or director acquires an interest in a competitor, customer or supplier that is listed on a stock exchange so long as the total value of the investment is less than 5% of the outstanding stock of the company and the amount of the investment is not so significant that it would affect the person's business judgment on behalf of the Company. Notwithstanding the foregoing, any such investment is subject to and must comply with the Company's Corporate Disclosure, Confidentiality and Insider Trading Policy and all applicable securities laws.

4.2 Competitive Practices

The Company firmly believes that fair competition is fundamental to the continuation of the free enterprise system. The Company complies with and supports laws which prohibit restraints of trade, unfair practices, or abuse of economic power.

The Company's policy also prohibits employees, officers and directors from entering into or discussing any unlawful arrangement or understanding that may result in unfair business practices or anticompetitive behavior.

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4.3 Supplier and Contractor Relationships

The Company selects its suppliers and contractors in a non-discriminatory manner based on the quality, price, service, delivery and supply of goods and services. A director's, officer's or employee's decision must never be based on personal interests or the interests of family members or friends.

Employees should inform their supervisors, and officers and directors should inform the Chairman of the Audit Committee of any relationships that appear to create a conflict of interest.

4.4 Public Relations

The Company's Board of Directors determine the persons who are responsible for all public relations, including all contact with the media. Unless a director, officer or employee is specifically authorized to represent the Company to the media, a director, officer or employee should not respond to inquiries or requests for information. This includes newspapers, magazines, trade publications, radio and television as well as any other external sources requesting information about the Company. If the media contacts a director, officer or employee about any topic, that person should immediately refer the call to an authorized person.

Employees must be careful not to disclose confidential, personal or business information through public or casual discussions to the media or others.

5. LEGAL COMPLIANCE

Employees, officers, and directors are expected to comply in good faith at all times with all applicable laws, rules and regulations.

Employees, officers, and directors are required to comply with insider trading rules and all other policies and procedures applicable to them that are adopted by the Company from time to time.

Employees, officers, and directors must cooperate fully with those responsible for preparing reports filed with the securities regulatory authorities and all other materials that are made available to the investing public to ensure those persons are aware in a timely manner of all information that is required to be disclosed. Employees, officers and directors should also cooperate fully with the independent auditors in their audits and in assisting in the preparation of financial disclosure.

Senior officers of the Company must comply with the Company's procedures on timely disclosure of material information and provide full, fair, accurate, understandable and timely disclosure in reports and documents filed with, or submitted to, securities regulatory authorities and other materials that are made available to the investing public.

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6. INFORMATION AND RECORDS

6.1 Confidential and Proprietary Information and Trade Secrets

Employees, officers and directors may be exposed to certain information that is considered confidential by the Company, or may be involved in the design or development of new procedures or technologies related to the business of the Company. All such information, procedures and technologies, whether or not the subject of copyright or patent, are the sole property of the Company. Employees shall not disclose confidential information to persons outside the Company, including family members, and should share it only with other employees who have a "need to know".

Employees, officers and directors are responsible and accountable for safeguarding the Company's documents and information to which they have direct or indirect access as a result of their employment, officership or directorship with the Company.

6.2 Financial Reporting and Records

The Company maintains a high standard of accuracy and completeness in its financial records. These records serve as a basis for managing its business and are crucial for meeting obligations to employees, customers, investors and others, as well as for compliance with regulatory, tax, financial reporting and other legal requirements. Employees, officers, and directors who make entries into business records or who issue regulatory or financial reports, have a responsibility to fairly present all information in a truthful, accurate and timely manner. No employee, officer or director shall exert any influence over, coerce, mislead or in any way manipulate or attempt to manipulate the independent auditors of the Company.

6.3 Record Retention

The Company maintains all records in accordance with laws and regulations regarding retention of business records. The term "business records" covers a broad range of files, reports, business plans, receipts, policies and communications, which include but are not limited to, hard copy, electronic, audio recording, microfiche and microfilm files whether maintained at work or at home. The Company prohibits the unauthorized destruction of or tampering with any records, whether written or in electronic form, where the Company is required by law or government regulation to maintain such records or where it has knowledge of a threatened or pending government investigation or litigation relating to such records.

7. THE COMPANY'S ASSETS

7.1 Use of Company Property

The use of Company property for individual profit or any unlawful unauthorized personal or unethical purpose is prohibited. The Company's information, technology, intellectual property, mineral rights, buildings, land, equipment, machines, software and cash must be used only for business purposes except as provided by Company policy or approved by an employee's

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respective supervisor.

7.2 Destruction of Property and Theft

Employees, officers and directors shall not intentionally damage or destroy the property of the Company and others or commit theft.

7.3 Intellectual Property of Others

Employees, officers and directors may not reproduce, distribute or alter copyrighted materials without permission of the copyright owner or its authorized agents. Software used in connection with the Company's business must be properly licensed and used only in accordance with that license.

7.4 Information Technology

The Company's information technology systems, including computers, e-mail, intranet and internet access, telephones and voice mail are the property of the Company and are to be used primarily for business purposes. The Company's information technology systems may be used for minor or incidental personal messages provided that such use is kept at a minimum and is in compliance with Company policy.

Employees, officers and directors may not use the Company's information technology systems to:

- (a) allow others to gain access to the Company's information technology systems through the use of an employee's password or other security codes;
- (b) send harassing, threatening or obscene messages;
- (c) send chain letters;
- (d) access the internet for inappropriate use;
- (e) send copyrighted documents that are not authorized for reproduction;
- (f) make personal or group solicitations unless authorized by a senior officer; or
- (g) conduct personal commercial business.

The Company may monitor the use of its information technology systems.

Adopted: February 21, 2018