

## **PROCEDURES FOR RECEIPT OF COMPLAINTS AND SUBMISSIONS RELATING TO ETHICAL CONDUCT BULLYING, HARASSMENT AND ACCOUNTING MATTERS**

Pilot Gold Inc. (the "**Corporation**") expects directors, officers, employees and key consultants (being, those who are engaged in an employee-like capacity) (collectively, "**Personnel**") of the Corporation to take all responsible steps to prevent violations of its Code of Business Conduct and Ethics (the "**Code**"), to identify and raise potential issues before they lead to problems, and to seek additional guidance when necessary.

These Procedures are designed to provide an atmosphere of open communication for compliance issues and to ensure that Personnel acting in good faith have the means to report actual or potential violations.

### **Reporting Responsibility**

If any Personnel observe or become aware of an actual or potential violation of the Code or of any applicable law or regulation (including securities laws and regulations), whether committed by Personnel or by others associated with the Corporation (for example, external parties with whom Pilot Gold has contracted), it is his/her responsibility to promptly report the circumstances as outlined herein and to cooperate with any investigation by the Corporation.

It is also the responsibility of Personnel who have concerns regarding questionable accounting, internal financial controls or auditing matters to report such concerns in accordance with the procedures outlined herein.

Examples of issues to be reported are set out in Schedule "A" to these Procedures.

### **No Retaliation and Acting in Good Faith**

The Corporation prohibits Personnel from retaliating or taking adverse action against anyone for raising suspected conduct violations or helping to resolve a conduct concern. Any individual who has been found to have engaged in retaliation against any of the Corporation's Personnel for raising, in good faith, a conduct concern or for participating in the investigation of such a concern may be subject to discipline, up to and including termination of employment or other business relationship. If any individual believes that he or she has been subjected to such retaliation, that person is encouraged to report the situation as soon as possible to one of the people identified in the "Reporting Procedures" section below.

Anyone filing a complaint concerning a violation or suspected violation of the Code, or reporting concerns relating to accounting and auditing matters must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense, and may be subject to legal and civil action in addition to employment review.

## **Reporting Procedures**

For assistance with compliance matters or clarification as to the manner in which to report actual or potential compliance infractions, Personnel should contact the Chief Financial Officer of the Corporation.

### General compliance matters

Personnel may submit reports of alleged violations of this Code in writing on a confidential basis to the Chair of the Corporation's Corporate Governance and Nominating Committee (the "**Governance Committee**") in an envelope labeled with a legend such as "*To be opened by the Corporate Governance and Nominating Committee only, being submitted pursuant to the Code of Business Conduct and Ethics.*" Personnel may submit such confidential envelopes directly or via any officer of the Corporation, who shall pass it on forthwith to the Chair of the Governance Committee

### Compliance related to financial and accounting matters

If such perceived violations of the Code involve matters related to accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters, Personnel may submit reports of such violations to the individual designated from time to time by the Corporation's Audit Committee (the "**Audit Committee**") to whom complaints and submissions can be made regarding such matters (the "**Complaints Officer**") or, if not designated at such time, the Chair of the Audit Committee. Personnel may submit such confidential envelopes directly or via any officer of the Corporation, who shall pass it on forthwith to the Complaints Officer (or Chair of the Audit Committee).

Officers and directors who become aware of any violation of the Code shall promptly report them to i) the Chair of the Governance Committee openly or confidentially (in the manner described above) or ii) one of the Complaints Officer or the Chair of the Audit Committee, in those instances described above.

In reporting any actual or potential violation of the Code, an individual should provide, to the extent possible, such relevant documents to support the allegations being made, such as e-mails, handwritten notes, photographs, or physical evidence.

Any report of actual or potential violation of the Code should include, at a minimum the following information:

- the names of the parties involved.
- any witnesses to the incident(s).
- the location, date, and time of the incident(s).
- details about the incident (behaviour and/or words used).
- any additional details that would help with an investigation.

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. If not made anonymously, the Chair of the Governance Committee or Complaints Officer (as applicable) will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days.

### **Complaints Officer**

By e-mail that is disseminated to all Personnel at least annually, management of the Corporation shall advise employees of the name of the Complaints Officer for the ensuing period.

The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Audit Committee or the Chair of the Audit Committee.

The Corporation's Compliance Officer can be contacted as outlined below:

Tel: 1-604-632-4677

Fax: 1-604-632-4678

Mail: Suite 1900 – 1055 West Hastings Street, Vancouver, BC V6E 2E9, Canada

E-mail: stetzlaff@oxygencapitalcorp.com

The Complaints Officer shall be informed that he or she must report to the Audit Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis at the quarterly meeting of the Audit Committee called to approve interim and annual financial statements of the Corporation.

### **Handling of Reported Violations**

Upon receipt of a report from the Chair of the Governance Committee, or the Complaints Officer, the Governance Committee or Audit Committee (as applicable) shall discuss the report and take such steps as that committee of the Corporation's Board of Directors (the "**Board**") may deem appropriate. At a minimum the Governance Committee or the Audit Committee, as applicable, should initiate an investigation of the alleged violation(s). Additional steps could include, if appropriate:

- Advising the alleged subject of the report; and
- Considering a review and revisions to workplace procedures to prevent any future violations of the Code.

Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

The Complaints Officer, Chair of the Audit Committee or Chair of the Governance Committee (as applicable) shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

### **Investigation of Reported Violations**

Following the receipt of any complaints submitted hereunder, the Governance Committee or the Audit Committee, as applicable, will investigate each matter so reported and recommend corrective disciplinary actions to the Board, if appropriate, up to and including termination of employment.

At a minimum, investigations will:

- be undertaken promptly and diligently, and be as thorough as necessary, given the circumstances.
- be fair and impartial, providing both the complainant and respondent equal treatment in evaluating the allegations.
- be sensitive to the interests of all parties involved, and maintain confidentiality.
- be focused on finding facts and evidence, including interviews of the complainant, respondent, and any witnesses.
- incorporate, where appropriate, any need or request from the complainant or respondent for assistance during the investigation process.

Enacted June 13, 2011  
Revised December 12, 2013

## **SCHEDULE 'A'**

### **Examples of Matters to be Reported**

- Fraud, Theft
- Accounting irregularities, Financial Statement Disclosure issues
- Non-compliance with Internal Accounting Controls
- Workplace violence
- Substance abuse
- Discrimination, Bullying and Harassment
- Falsification of company Records
- Conflicts of Interest
- Release of proprietary information
- Safety/Security violations
- Malicious property damage
- Violations of securities laws (including insider trading)
- Breaches of other applicable laws (environmental, employment, health and safety laws)
- Ethics violations