

COLORADO RESOURCES LIMITED

(the “Corporation”)

CORPORATE CORE VALUES AND PRINCIPLES

(Adopted by the Board of Directors on November 19th, 2019)

Contents

OUR CORE PRINCIPLES FOR GOOD CORPORATE CITIZENSHIP 2

OUR CORE PRINCIPLES FOR GOOD CORPORATE GOVERNANCE 3

1. CORPORATE GOVERNANCE FRAMEWORK 3

2. PROTECT THE RIGHTS OF SHAREHOLDERS 3

3. EQUITABLE TREATMENT OF SHAREHOLDERS 3

4. THE ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE 4

5. DISCLOSURE AND TRANSPARENCY 4

6. THE RESPONSIBILITIES OF THE BOARD 4

7. BOARD INDEPENDENCE 4

8. MANAGEMENT ACCOUNTABILITY 5

OUR CORE VALUES FOR GOOD CORPORATE CITIZENSHIP

Corporate citizenship involves the social responsibility of businesses and the extent to which they meet legal, ethical, and economic responsibilities, as established by shareholders.

Therefore, the Corporation makes the following commitments in good faith:

- (a) To Investors: We will comply with all relevant laws and rules and observe high standards of corporate governance. We will respond to all inquiries appropriately and transparently.
- (b) To Employees: We are committed to the safety of our employees and to treating them with respect and care. We will invest in their development and ensuring that their careers are not constrained by discrimination or other arbitrary barriers to advancement. We recognise the importance of family life and of allowing our employees to achieve a satisfactory work-life balance. We will deal honestly, and maintain regular two-way communication, with our workforce.
- (c) To Communities: We aim to create and maintain strong and respectful relationships with the communities of which we are a part. We will seek regular engagement about issues that may affect them. We aim to contribute to the creation of more prosperous, empowered and adaptable communities. We will regularly assess our operations' impact upon local social and economic development and report upon it. We will provide local mechanisms for the consideration and resolution of complaints and grievances in a fair, timely and accessible manner.
- (d) To Business Partners: We seek mutually beneficial relationships with our customers, contractors, suppliers and other business partners, based on fair and ethical practices, including prompt payment within the negotiated terms. We require our partners to also strive to meet the standards set out in these principles.
- (e) To Non-Governmental Organisations: We aim for constructive relations with relevant non-governmental organisations. Their input may improve our understanding of society and of host communities.
- (f) To Industry: We are committed to the responsible exploration and development of mineral resources using industry best practices. We believe in a responsible approach to social, economic, and environmental performance that is aligned with the evolving priorities of our communities of interest.

On behalf of The Board Of Colorado Resources Limited

OUR CORE PRINCIPLES FOR GOOD CORPORATE GOVERNANCE

The Corporation accepts the following EIGHT principles of good corporate governance:

- (a) Have an effective corporate governance framework
- (b) Protect the rights of shareholders and key ownership functions
- (c) Treat shareholders equitably
- (d) Ensure stakeholders have a role in corporate governance
- (e) Disclosure and transparency
- (f) The Board has responsibilities
- (g) The Board should be independent
- (h) Corporate management is accountable to the Board

1. CORPORATE GOVERNANCE FRAMEWORK

The corporate governance framework should promote transparent and efficient markets, be consistent with the rule of law and clearly articulate the division of responsibilities among different supervisory, regulatory and enforcement authorities.

2. PROTECT THE RIGHTS OF SHAREHOLDERS

The corporate governance framework should protect and facilitate the exercise of shareholders' rights. Basic shareholder rights should include the right to:

- (a) Secure methods of ownership registration;
- (b) Convey or transfer shares;
- (c) Obtain relevant and material information on the corporation on a timely and regular basis;
- (d) Participate and vote in general shareholder meetings;
- (e) Elect and remove members of the board; and,
- (f) Share in the profits of the corporation.

3. EQUITABLE TREATMENT OF SHAREHOLDERS

The corporate governance framework should ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective redress for violation of their rights. The principles also state that:

- (a) All shareholders of the same series of a class should be treated equally
- (b) Insider trading and abusive self-dealing should be prohibited
- (c) Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.

4. THE ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE

The corporate governance framework should recognize the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.

5. DISCLOSURE AND TRANSPARENCY

The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the company.

6. THE RESPONSIBILITIES OF THE BOARD

The corporate governance framework should ensure the strategic guidance of the company, the effective monitoring of management by the board, and the board's accountability to the company and the shareholders.

7. BOARD INDEPENDENCE

Board independence is considered by many investment groups as the cornerstone of accountability. To ensure independence, the Corporation believes:

- (a) The board must consist of a majority of directors that are independent, meaning that the director is free to exercise independent judgement;
- (b) Independent directors must meet periodically (at least once a year) alone, with the CEO or other non-independent directors present;
- (c) The jobs and responsibilities of the Chair and the CEO should be separated;
- (d) If the Chair is also the CEO, then an independent director should be designated as "Lead Director" by the board to coordinate the other independent directors;
- (e) Certain board committees should consist entirely of independent directors (audit,

nominating, board evaluation and governance, compensation, and compliance and ethics).

8. MANAGEMENT ACCOUNTABILITY

Management should report and feedback regularly to the Board on its progress. This should not be confined to quarterly Board meetings. By having active, engaged committees and advisory groups, management can discuss progress and raise risks and issues on an ongoing basis to independent directors and outside advisors that possess the suitable expertise to assist and direct management.

The Board should set realistic short-term and mid-term goals and objectives for management and measure its progress towards them. The board is ultimately responsible for maximising long-term growth of shareholder values.