



STEPPE GOLD LTD.

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

1. Introduction

The Board of Directors of Steppe Gold Limited (the “**Company**”) has determined that, on the recommendation of the Corporate Governance & Nominating Committee, the Company should formalize its policy on compliance with anticorruption legislation applicable to the Company and subsidiaries (the “**Legislation**”).

2. Objective of the Policy

The objective of this anti-bribery and anti-corruption policy (the “**Policy**”) is to provide a procedure to ensure that the Company, together with its directors, officers, employees, consultants and contractors, conducts its business in an honest and ethical manner reflecting the highest standards of integrity and in compliance with all relevant laws and regulations applicable to it and in compliance with the Legislation. Compliance with this Policy is required under the Company’s Code of Business Conduct and Ethics.

3. Application of the Policy

This Policy applies to all directors, officers, employees, consultants, contractors of the Company and reflects the standards to which the Company expects such persons to adhere to when acting on the Company’s behalf. All consultants and contractors shall be provided with or directed to a copy of this Policy and all agreements with consultants and contractors should include a provision that the consultant and contractor must abide by this Policy at all times.

4. Communication of the Policy

A copy of this Policy has or will be made available to all directors, officers, employees, consultants and contractors of the Company as well its auditors, legal counsel and other advisers. It is also posted on the Company's website at www.steppegold.com. Directors, officers, employees, consultants and contractors are required to refer to the Company’s website regularly to keep themselves informed of changes which may be made to this Policy from time to time. A copy of the current version of this Policy may also be obtained at any time from the Company’s Corporate Secretary.

5. Management Responsibilities

Management of the Company shall develop, implement, monitor and maintain a system of internal controls to facilitate compliance with this Policy, as well as to foster a culture of integrity and maintain high ethical standards throughout the Company.

6. Prevention of Improper Payments

All directors, officers, employees, consultants and contractors will adhere to the Company's commitment to conduct its business in an honest and ethical manner reflecting the highest standards of integrity and

in compliance with all relevant laws and regulations applicable to it. Accordingly, the Company and its directors, officers, employees, consultants or contractors shall not:

6.1 Bribes

- (a) directly or indirectly, offer, give or agree to give or offer a loan, reward, advantage or benefit of any kind to a public official, political party, party official or political candidate as consideration for an act or omission by the recipient in connection with the performance of the recipient's duties or functions with the government; or to induce the official to use his or her position to influence any acts or decisions of such government for the purposes of obtaining or retaining an advantage in the course of business, including an act or decision to direct business;
- (b) agree to, or comply with any demands for a bribe made by a public official, political party, party official or political candidate;

however, a director, officer, employee, consultant or contractor of the Company will not have breached the terms of paragraph 6.1(a) or 6.1(b) of the Policy, if the loan, reward, advantage or benefit has been approved by the Board of Directors of the Company, and where such loan, reward, advantage or benefit is either:

- (i) permitted or required under all applicable laws; or
- (ii) made to pay the reasonable expenses incurred in good faith by or on behalf of the recipient that are directly related to the promotion, demonstration or explanation of the products or services of the Company, or the execution or performance of a contract between the Company and the government for which the recipient performs duties or functions;

6.2 Extortion

- (a) directly or indirectly demand or accept a bribe;

6.3 Kickbacks and Commissions

- (a) kickback any portion of a contract payment to employees of another contracting party or utilize other techniques, such as subcontracts, purchase orders or consulting agreements, or commissions to channel payment to public officials, to employees of another contracting party, their relatives or business associates;

6.4 Facilitation Payments

routine nature that is part of the foreign public official's duties or functions, including (a) the issuance of a permit, license or other document to qualify a person to do business; (b) the processing of official documents, such as visas and work permits; (c) the provision of services normally offered to the public, such as mail pick-up and delivery, telecommunication services and power and water supply; and (d) the provision of services normally provided as required, such as police protection, loading and unloading of cargo, the protection of perishable products or commodities from deterioration or the scheduling of inspections related to contract performance or transit of goods

6.5 *Government Agents*

- (a) retain an agent to represent the Company's business interests in a particular country if such agent, or any of the agent's principals, staff, officers or key employees are government or public officials, political party officials, political candidates, persons related to the foregoing, or other persons who might assert illegal influence on the Company's behalf. However, if the Chief Executive Officer deems necessary, then such an agent may be retained provided:
 - (i) the reputation, background and past performance of the agent is properly researched and documented;
 - (ii) the agent is retained pursuant to a written agreement specifically defining the agent's duties, representing and warranting the absence of the relationship set out above, providing for immediate termination in the event of an improper payment, annual certification requirement and the right to audit expenses and invoices;

6.6 *Political Contributions*

- (a) make any contributions or provide any financial support to political parties or candidates on behalf of the Company.

6.7 *Charitable Contributions and Social Benefits*

- (a) make any charitable contributions on behalf of the Company without first consulting the Chief Executive Officer and obtaining approval from the Chief Executive Officer for such contribution. Given the nature of the Company's business, the Company may be asked by governments to contribute to the development of local infrastructure near its projects, such as roads, ports, schools, medical facilities and worker housing. As part of the Company's commitment to corporate responsibility and sustainable development, as a general matter, the Company would like to provide such assistance in appropriate circumstances in an appropriate manner. However, such requests must be carefully examined for legitimacy. Even requests determined to be legitimate must be carefully structured to ensure that the benefits reach their intended recipients.

6.8 *Employment of Public Officials*

- (a) employ any officer or employee of a government or any of its agencies or a government corporation, or any person acting in an official capacity for any such entity and including relatives of any such person. However, if the Chief Executive Officer deems necessary, then such a person may be employed provided:
 - (i) the employment is lawful in the country concerned;
 - (ii) the services to be rendered by the person do not conflict with the official government duties of the person; and
 - (iii) the services to be rendered by the person are such that the employment of the person does not conflict with section 7.1 of this Policy; and

6.9 *Gifts and Entertainment*

- (a) give inducements, including gifts and entertainment, to government officials on a scale that might be perceived as creating an obligation on that official, or to influence a decision by that official or other officials with respect to the Company. To comply with this Policy, the cost or expense of a gift, meal or entertainment must be reasonable. It must be directly connected to a legitimate business promotional activity or the performance of an existing contract, it must be permitted under local law and it must be otherwise consistent with the Company's business practices. When considering the reasonableness of the expense, directors, officers, employees, consultants and contractors of the Company should consider the frequency with which such expenses are incurred for a particular official. Modest costs frequently incurred can, when aggregated, amount to lavish and potentially improper payments. Even where gifts, meals or entertainment may be consistent with normal social or business amenities in the official's country, that does not mean that they are permitted under either the laws of that country or the laws of other countries combating the bribery of foreign government officials, including Canadian law. The cost of gifts, meals, and entertainment should always remain at or below that permitted by local law and in no event should that amount be greater than the legitimate and customary expenditure for such activities by private businesspersons in the country.

7. Accounting, Books and Records

The Company will maintain a system of internal accounting controls and keep books and records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets. Accordingly:

- (a) False, misleading or incomplete entries in the Company's books, records and other business documents are prohibited. No transaction should ever be entered into that requires or contemplates the making of false or fictitious records, in whole or in part.
- (b) No undisclosed or unrecorded funds or accounts may be established for any purpose.
- (c) Circumventing or evading, or attempting to circumvent or evade, the Company's internal accounting controls is prohibited.
- (d) No payment on behalf of the Company is to be approved or made without adequate supporting documentation or made with the intention or understanding that all or any part of the payment is to be used for any purpose other than the specific purpose described by the documents supporting the payment.

These requirements apply to all transactions regardless of financial materiality.

8. Compliance

All directors, officers, employees, contractors and consultants, in discharging their duties, shall comply with the laws, regulations and rules of the jurisdiction where they carry out their business duties to the Company and all jurisdictions where the Company conducts its business activities, and in particular with respect to corrupt practices laws, regulations and rules. Where uncertainty or ambiguity exists, competent legal advice should be obtained. It is a fundamental principle of this Policy that discretionary decisions relating to the contents described herein should not be made "in the field", but rather, should be referred

to the Company's Chief Executive Officer who will make such decisions with advice from external legal counsel if necessary.

9. Compliance Certification

All directors and officers of the Company, together with any employees, consultants and contractors specified by the Board of Directors of the Company, shall provide a certification of compliance with this Policy in a form approved by the Corporate Governance & Nominating Committee, from time to time.

10. Reporting Violations

Any officer or employee that becomes aware of actions which could constitute a violation of this Policy is required to report it to their immediate supervisor. However, if such officer or employee is not comfortable discussing the matter with their immediate supervisor, or does not believe that the supervisor has dealt with the matter properly, then they should raise the matter with a senior officer of the Company or anonymously make a complaint to the Audit Committee Chairman in accordance with the Whistleblower Policy. A copy of the Whistleblower Policy is available on the Company's web page at www.steppegold.com or may be obtained from the Company's Corporate Secretary. Officers and employees who raise concerns in good faith will not be subject to retribution or disciplinary action.

11. Consequences of Non-Compliance with Policy

Failure to comply with this Policy may result in severe consequences, which will include internal disciplinary action and possible termination of employment or consulting arrangements. The violation of this Policy may also violate certain laws and if it appears that a director, officer, employee, consultant or contractor may have violated such laws, then the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

12. Review of Policy

The Corporate Governance & Nominating Committee will review and evaluate this Policy on a continual basis to determine whether the Policy is effective in ensuring compliance by the Company, its directors, officers, employees, consultants and contractors with the Legislation.

13. Queries

If you have any questions about how this Policy should be followed in a particular case, please contact the Chief Executive Officer or a member of the Corporate Governance & Nominating Committee.

Last approved: October 2, 2017

Approved by: Corporate Governance and Nominating Committee

Board of Directors