

**EUROMAX RESOURCES LTD.**  
(the "Company")

**DISCLOSURE, CONFIDENTIALITY & INSIDER TRADING POLICY**

**The Policy**

This policy establishes procedures that are designed to (i) permit the disclosure of information about the Company to the public in an informative, timely and broadly disseminated manner, (ii) ensure that non-publicly disclosed information remains confidential, and (iii) ensure that trading of the Company's securities by directors, officers and employees of the Company remains in compliance with applicable securities laws.

The Company may, among other things, take disciplinary actions in response to violations of this policy, which may include termination of employment.

**Definitions Used in this Policy**

Certain defined terms used in this policy are set out in **Schedule "A"**. Please note that in this policy the term "Employee" means all directors, officers, and other individuals currently employed or engaged as a consultant by the Company who may become aware of Undisclosed Material Information.

**Terms of this Policy; Disclosure Officers**

If there is any question or concern with respect to the application of this policy to any Employee or to any particular circumstance, a **Disclosure Officer** should be contacted for guidance. For purposes of this Policy, the President & CEO of the Company (primary), and the VP Legal Affairs & Corporate Secretary and the CFO of the Company (backup), have been designated as the Disclosure Officers.

**PART I**  
**DISCLOSURE**

**1. Timely Disclosure**

The Company will publicly disclose Material Information immediately upon it becoming apparent that the information is material except in restricted circumstances where immediate release of the information would be unduly detrimental to the interests of the Company (and where the Company complies with any confidential filing obligations and maintains confidentiality of the information).

The Disclosure Officers must continue to be fully apprised of Company developments in order that they are in a position to evaluate and discuss those events that may impact on the disclosure process. The directors must also be kept aware of all material developments and significant information disseminated to the public.

## **2. What Constitutes Material Information?**

Information is material if it would reasonably be expected to result in a significant change in the market price or value of any of the Company's securities. Materiality judgements involve taking into account a number of factors, including the nature of the information itself, the volatility of the Company's securities and prevailing market conditions. The Company should avoid taking an overly technical approach to determining materiality. The Company should attempt to monitor the market's reaction to information that is publicly disclosed by it and from time to time other issuers in the Company's business sector. Ongoing monitoring and assessment of market reaction will be helpful when making materiality judgements in the future.

A good rule of thumb is that if the information would influence an Employee's decision to buy or sell securities of the Company, the information is probably material. If an Employee has any doubt as to whether or not information is material, the Employee should immediately contact a Disclosure Officer before disclosing it to anyone. Employees should err on the side of caution.

Developments, whether actual or proposed, which are likely to give rise to material information and thus to require prompt disclosure may include, but are not limited to, those events listed on **Schedule "B"**.

The policies of the Exchange may deem certain events to be material and therefore requiring immediate disclosure.

## **3. Communications with Shareholders and Other Outside Parties**

Generally, the Disclosure Officers and employees/consultants engaged in investor relations activities are the only individuals authorized to communicate with analysts and investors about information concerning the Company. Other employees should not respond to these enquiries but should refer all calls or other communications from shareholders and holders of other securities of the Company, the financial community and media which relate to the Company to the IR Manager or if not available, to one of the Disclosure Officers.

## **4. Basic Disclosure Rules**

All public disclosure of Material Information pursuant to this policy must be made by way of press release disseminated through a widely circulated newswire service company.

The Company has developed and maintains a routine procedure for all corporate communications. The procedure consists of drafting a press release, circulating it for review to corporate counsel and the directors, alerting market surveillance department or regulation services provider of the Exchange if required by the policies of the Exchange and disseminating the release through a national wire service and other distribution channels so as to effect broad dissemination to the public.

The following general guidelines are considered in the preparation and dissemination of news releases: (a) be clear and specific with assumptions and numbers; (b) do not hide negative facts and do not exaggerate or overly promote positive information; and (c) with the exception of Material Changes requiring immediate disclosure, news releases should be released prior to the market opening whenever possible.

Any news release containing financial information based on the Company's financial statements (prior to the release of such financial statements) must be approved by the Audit Committee of the Company prior to dissemination.

## **5. Forward-Looking Information**

Subject to the approval and disclosure procedures provided elsewhere in this policy, the Company may provide limited forward-looking information to enable security holders and the investment community to better evaluate the Company and its prospects, provided the Company has a reasonable basis for the forward-looking information. The Company will ensure that such statements are identified as forward-looking. Moreover, meaningful cautionary statements identifying the specific important factors that could cause actual results to differ materially from those projected in the statements and a description of the specific factors or assumptions that were used in making the forward-looking statements will accompany such statements. The Company will seek the assistance of its legal counsel as appropriate to ensure that securities laws that relate to disclosure of forward-looking information are complied with.

## **6. Selective Disclosure**

Selective disclosure occurs when previously Undisclosed Material Information is inadvertently disclosed to a shareholder, an analyst or any other person. Selective disclosure most often occurs in one-on-one discussions, in industry conferences and other types of private meetings and at meetings of the shareholders of the Company, but it can occur elsewhere. Company personnel should be aware of the risk of selective disclosure and guard against it at all times.

If selective disclosure occurs, the inadvertently disclosed information must be publicly disclosed immediately by way of press release. The Exchange should be contacted and a halt in trading in the Company's securities may be requested pending the issuance of the press release. Pending the public release of the Material Information, the parties who have knowledge of the information should be advised that the information is material and has not been generally disclosed.

## **7. Conference Calls**

Conference calls may be held to discuss quarterly and annual results, drill results and major corporate developments, where discussion of key aspects is accessible simultaneously to all interested parties. Such calls will be preceded by a press release containing all relevant Material Information. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents.

## **8. Contact with Analysts and Others; Analyst Reports**

The Company may meet with analysts and investors on an individual or small group basis (including participating in industry conferences) and will initiate contacts or respond to calls in a timely, consistent and accurate fashion in accordance with the requirements of this policy. The Disclosure Officers should avoid getting involved in the contents of an analyst's report, except to correct factual errors. Confirmation of or attempting to influence an analyst's opinions or conclusions may be considered to be selective disclosure by the Company.

## **9. Electronic Communications; Company Website**

This policy also applies to electronic communications, including the Company's website. Accordingly, officers and personnel responsible for written and oral public disclosures will also be responsible for electronic communications.

The Disclosure Officers are responsible for monitoring all information placed on the website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws. Disclosure on the Company's website alone does not constitute adequate disclosure of information that is considered Undisclosed Material Information. Any disclosure of Material Information on the website will be preceded by the issuance of a press release. The Company will, however, endeavour to concurrently post to its website (or provide a link to) all documents filed on SEDAR by the Company in an effort to improve investor access to its information.

The Company will not link to or post analysts reports on its website.

## **10. Internet Chat Rooms and Other Internet Discussion**

In order to ensure that no Undisclosed Material Information is inadvertently disclosed, Employees should not participate in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities.

The Company will not host or link to chat rooms, bulletin boards or news groups.

# **PART II CONFIDENTIALITY**

## **1. When Disclosure of Material Information May Be Delayed**

Where the immediate disclosure of Material Information, as is typically required by securities laws, would be unduly detrimental to the interests of the Company, securities laws may permit its disclosure to be delayed and kept confidential temporarily. Keeping Material Information confidential is only permitted in circumstances where the potential harm to the Company or to investors caused by immediate disclosure may reasonably be considered to outweigh the undesirable consequences of delaying disclosure and where confidentiality of the information is maintained.

All decisions to delay disclosure of Material Information must be made by the Disclosure Officers in the first instance and thereafter by the board of directors. In such circumstances, the Company will comply with any obligation to make a confidential filing with applicable securities regulators and to notify the Exchange and market surveillance and, if applicable, the obligation to advise the applicable securities regulatory authorities of continued confidential treatment.

Upon the Company becoming aware, or having reasonable grounds to believe, that persons or companies are purchasing or selling the Company's securities with knowledge of the Material Information, the Company will be required under applicable securities law to promptly generally disclose the Material Information.

## **2. Protecting Against Disclosure of Confidential Information**

Employees will be given access to confidential information on an “as needed” basis only and must not disclose that information to anyone except with the prior approval of a Disclosure Officer, which approval will only be given where such disclosure is in the “necessary course of business”. Employees must not discuss confidential information in situations where they may be overheard or participate in discussions regarding decisions by others about investments in the Company.

Before Undisclosed Material Information of the Company may be discussed with outside parties in compliance with this policy, the outside parties should be told that they must not divulge that information to anyone else, other than in the necessary course of business, and that they may not trade in the Company’s securities until after the information is publicly disclosed and a reasonable period of time for its dissemination has passed. In such circumstances, the feasibility of having such parties enter into a confidentiality agreement with the Company should be considered.

In the event that material confidential information is divulged in any manner (other than in the necessary course of business), the Company will be required to make an immediate announcement on the matter. See “Selective Disclosure”, above.

## **PART III INSIDER TRADING POLICY**

### **1. General Prohibition**

No Employees may Trade in the securities of the Company when they are aware of Undisclosed Material Information until the information is publicly disclosed and a reasonable period of time for its dissemination has passed. Generally, “a reasonable period of time” will be two (2) trading days; however, it may be shorter or longer depending on the market following of the Company. A Disclosure Officer should be consulted to determine what would be a “reasonable period of time” in the circumstances.

In addition, Employees are prohibited from informing, or “tipping”, anyone else about that Undisclosed Material Information unless it is necessary in the course of the Company's business (as discussed in Part II, section 2 above). It is also illegal for Employees with knowledge of Undisclosed Material Information to recommend or encourage another person to Trade securities of the Company. These prohibitions extend to other securities whose price or value may reasonably be expected to be affected by changes in the price of the Company’s securities including the granting and exercise of options. Rapid buying and selling by Employees of the Company’s securities is strongly discouraged because of the possible perception of trading on Undisclosed Material Information.

### **2. Requirement to Obtain Permission to Trade**

Employees must contact a Disclosure Officer to obtain permission before Trading any securities of the Company (which includes exercise of options or other convertible securities such as warrants).

### **3. Pending Material Developments**

Employees are prohibited from Trading whenever there are Pending Material Developments, even if they are unaware of the details of the same. In the circumstances where there is a Pending Material

Development with respect to the Company, a Disclosure Officer will inform all Employees, as well as other Employees if it is determined appropriate, informing them of the Blackout Period with respect to such Pending Material Development at which time they shall cease Trading until further notice. No reason for the Trading restriction will be provided.

#### **4. Blackout Periods**

The Disclosure Officers may prescribe Blackout Periods from time to time during which all Employees will be generally restricted from Trading the Company's securities. The purpose of such Blackout Periods is to prevent Employees who may be aware of Undisclosed Material Information from Trading the Company's securities until such information has been disclosed and for a reasonable period of time following the disclosure of that information. Generally, a "reasonable period of time" will be two (2) trading days; however, it may be shorter or longer. The Disclosure Officers will be responsible for setting the length of Blackout Periods and notifying Employees of Blackout Periods in effect.

For example, a Blackout Period may surround the release of drill results from an exploration program. Where the operations and stage of development of the Company warrant, a Blackout Period may commence on the last day of an interim or annual financial period and end on the trading day following the issuance of a press release or financial statements and MD&A disclosing the results for the period.

#### **5. Insider Trading Reports**

Under Canadian securities law, "reporting insiders" of the Company are required to file insider trading reports within 5 days of a change in their ownership position in any securities of the Company (this includes the grant of options or other convertible securities to such persons or the exercise by them of such options or convertible securities). Reporting insiders are also required to file an "initial" insider report within ten days of the date on which the person or the Company became a reporting insider (an initial report is not required, however, when a person becomes a reporting insider if he/she has no direct or indirect beneficial ownership, control or direction over securities of the Company). These reports are to be filed electronically using the SEDI system.

### **PART IV POLICY REVIEW AND OVERSIGHT**

The board of directors of the Company has approved this policy and will review and revise the policy as required from time to time to ensure that it is achieving its purpose.

The President & CEO together with the VP Legal Affairs & Corporate Secretary, subject to the approval of the directors of the Company, shall have overall responsibility for developing and implementing this policy, monitoring the effectiveness of and compliance with this policy and educating the Company's directors, officers and employees about this policy.

## SCHEDULE "A" - DEFINITIONS

**"Blackout Period"** means a period during which Employees are restricted by the Company from Trading the Company's securities;

**"Disclosure Officers"** means the individuals who are responsible under this policy for, among other things, communicating with analysts, the news media and investors and ensuring that Employees do not communicate confidential information about the Company, as well as individuals whom Employees may contact to determine whether or not they may Trade the Company's securities or reveal Undisclosed Material Information in the necessary course of business;

**"Employees"** means all directors, officers, and other individuals currently employed or engaged as a consultant by the Company who may become aware of Undisclosed Material Information;

**"Exchange"** means the TSX Venture Exchange and any other stock exchange on which securities of the Company are listed from time to time;

**"insider"** means:

- a) a director or an officer of an issuer;
- b) director or an officer of a person that is itself an insider or a subsidiary of an issuer;
- c) a person that has beneficial ownership of, or control or direction over, (or a combination of beneficial ownership of, and control or direction over), directly or indirectly, securities of an issuer carrying more than **10%** of the voting rights attached to all the issuer's outstanding voting securities;
- d) an issuer that has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security,

**"Material Change"** means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Company and includes a decision by the directors or senior management of the Company to implement a change, when confirmation of the decision by the directors or senior management, as applicable, is probable;

**"Material Fact"** means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Company's securities;

**"Material Information"** means any Material Fact or Material Change;

**"Pending Material Developments"** means a proposed transaction of the Company that would constitute Material Information; however, a decision to proceed with the transaction has not been made by the directors or by senior management, although there is an expectation of occurrence from the directors;

**"Trade"** (and variants thereof) means entering into a transaction involving, including buying or selling, a security; and

**"Undisclosed Material Information"** means Material Information pertaining to the Company or its subsidiaries that has not been publicly disclosed or information that has been publicly disclosed, but a reasonable period of time for its dissemination has not passed.

## **SCHEDULE “B” - EXAMPLES OF POTENTIALLY MATERIAL INFORMATION**

The following are examples of the types of events or information that may be material. This list is not exhaustive.

### **Changes in Company Structure**

- changes in security ownership that may affect control of the Company
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

### **Changes in Capital Structure**

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of securities or offerings of warrants or rights to buy securities
- any security consolidation, security exchange, or security dividend or distribution
- changes in the Company’s dividend payments (if any) or policies
- the possible initiation of a proxy fight
- material modifications to rights of security holders

### **Changes in Financial Results**

- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Company’s assets
- any material change in the Company’s accounting policy

### **Changes in Business and Operations**

- significant results of mineral exploration activities
- a significant change in capital investment plans or corporate objectives
- significant new contracts or losses of significant contracts
- changes to the board of directors or senior management, including the departure of the President & CEO, CFO or COO (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for directors, officers and other key employees
- any notice that reliance on a prior audit is no longer permissible



- de-listing of the Company's securities or their movement from one exchange or quotation system to another
- any oral or written agreement to enter into any management contract, investor relations agreement, service agreement not in the normal course of business, or related party transaction

**Acquisitions and Dispositions**

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company