

Title:	Disclosure Policy		
Approved by:	Board of Directors	Date approved:	December 11, 2020

1. PURPOSE

This Disclosure Policy (the "**Policy**") was adopted by the board of directors (the "**Board**") of Karora Resources Inc. (the "**Corporation**") to confirm in writing the Corporation's existing policy to ensure that all required disclosures are made on a broadly disseminated basis in accordance with applicable legal and regulatory requirements (collectively "**Applicable Laws**") and not selectively disclosed. The disclosure committee (the "**Disclosure Committee**") is comprised of the Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**"), Managing Director Australia, SVP Corporate Development, VP Technical Services, internal legal counsel, and where required the applicable "qualified person".

The Corporation is committed to providing timely, orderly, consistent and credible information, consistent with legal and regulatory requirements, to promote orderly behavior in the market for its securities.

If a decision has been made to any release information relating to the business and affairs of the Corporation then such information should be:

- (a) Communicated factually, accurately and in a balanced manner, without including unnecessary details, exaggerated reports or any other commentary which is designed to colour the public's perception of the information either positively or negatively; and
- (b) Approved, prior to release, by the Disclosure Committee.

All investors are entitled to equal access to information relating to the business and affairs of the Corporation that is released by the Corporation and that may affect investment decisions. "Equal access" can only be achieved by a press release issued through a national wire service, with all relevant information contained, or a reference to where all relevant information can be found, contained in the press release. Preventing "unequal access" requires the Corporation to establish procedures to control confidential information relating to the business and affairs of the Corporation ("**Confidential Information**") so that:

- (c) such information is not intentionally disclosed selectively by an individual who did not understand that the information was material and confidential; and
- (d) it is not unintentionally released, for example through overheard conversations or carelessly placed documents.

All terms noted in *italics* are defined at the end of this Policy under Section 17 (Definitions).

2. SCOPE

This Policy limits the discretion of the directors, the officers and the other employees of the Corporation, any other person authorized to speak on behalf of the Corporation and all contractors of the Corporation (collectively "**Applicable Persons**") who possess Confidential Information.

All forms of communication are subject to this Policy. This includes disclosure in documents filed with securities regulators, all financial and non-financial disclosure, including management's discussion and analysis and written statements made in the annual and quarterly reports, news releases and letters to shareholders of the Corporation, presentations by senior officers and information contained on the website of, and other electronic communications by, the Corporation. This Policy extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media, speeches, press conferences, conference calls and tradeshows.

3. DISCLOSURE OBLIGATIONS GENERALLY

Whenever there is a *material change* in the affairs of the Corporation, Applicable Laws require the Corporation to immediately issue a news release disclosing the nature and substance of this change and subsequently file a *material change* report in respect of such change with securities regulators within prescribed time limits. In addition, applicable stock exchange rules also require the Corporation to make immediate disclosure of *material information* by way of a news release.

Material information is any information relating to the business and affairs of the Corporation that has a significant effect, or would reasonably be expected to have a significant effect, on the market price or value of securities of the Corporation. In determining whether information is material, the *Disclosure Committee* should consider whether it is information which a reasonable investor would likely consider important in making an investment decision.

The following are examples of information requiring disclosure:

- (a) changes in share ownership that may affect control of the Corporation;
- (b) changes in the corporate structure of the Corporation, such as a reorganization or amalgamation;
- (c) take-over bids or issuer bids involving the Corporation;
- (d) material acquisitions or dispositions by the Corporation;
- (e) *material changes* in the capital structure of the Corporation;
- (f) borrowing, or establishing a facility which allows the borrowing of, a material amount of funds by the Corporation;
- (g) a public or private sale of a material number of additional securities of the Corporation;

- (h) *material changes* in the reserves or resources of the Corporation;
- (i) firm evidence of material increases or decreases in the near-term earnings prospects of the Corporation;
- (j) changes in the capital investment plans or corporate objectives of the Corporation;
- (k) *material changes* in the management of the Corporation;
- (l) litigation which may have a material impact on the Corporation;
- (m) major labour disputes involving, or disputes with major contractors or suppliers of, the Corporation;
- (n) the occurrence of a material event of default under any material financing or other agreement to which the Corporation is a party; and
- (o) any other matter relating to the business and affairs of the Corporation that would reasonably be expected to significantly affect the market price or value of any securities of the Corporation or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

4. DISCLOSURE PRINCIPLES

The Corporation will adhere to the following basic disclosure principles:

- *material information* will be publicly disclosed on a timely basis as required by Applicable Laws;
- disclosure of *material information* must be balanced and factual;
- unfavourable news must be disclosed as promptly and completely as favourable news;
- disclosure must include any information the omission of which would make the rest of the disclosure misleading and must communicate clearly and accurately the nature of the information, without unnecessary details and exaggerated reports or editorial commentary designed to colour the public's perception of the information;
- there must be no selective disclosure of *material information*. Non-public *material information* must not be disclosed to selected individuals (e.g., in an interview with any analyst or in a telephone conversation with an investor). If non-public *material information* has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, the procedures set out under Section 11 (Inadvertent Disclosure) must be followed; and

- disclosure should be corrected as soon as reasonably practicable if the Corporation subsequently learns that earlier disclosure contained a material error at the time it was made.

5. DISCLOSURE CONTROLS

It is essential that the *Disclosure Committee* be kept fully apprised of all pending and potentially material developments in order to be able to determine the appropriateness and timing of the public disclosure of those developments. Accordingly, all Applicable Persons are under a positive obligation to make the *Disclosure Committee* aware of any circumstances or events that could reasonably be considered to be "material".

The *Disclosure Committee* shall determine whether undisclosed or non-public information is material or whether a *material change* in the business and affairs of the Corporation has taken place. In making a determination, the *Disclosure Committee* shall consult with legal counsel as and when the *Disclosure Committee* determines that such consultation is necessary or desirable.

6. MAINTAINING CONFIDENTIALITY

Applicable Persons in possession of *material information* relating to the Corporation that has not been communicated to the public are prohibited from communicating that information internally or externally to anyone else, except in the *necessary course of business*. When Applicable Persons communicate information to others in the *necessary course of business*, only that information which is necessary for (i) the person communicating the information or (ii) the recipient to be able to perform his or her responsibilities at the Corporation should be disclosed. Applicable Persons are required to treat all information about the Corporation as confidential unless Applicable Persons are absolutely certain that, or have been advised by a member of the *Disclosure Committee* that, the relevant information has been generally disclosed.

Applicable Persons may be asked to annually certify his or her commitment and compliance with this Policy.

Outside parties in possession of non-public *material information* relating to the Corporation must be advised that they must not divulge the information to anyone else, except on a need-to-know basis, and that they may not trade in securities or related financial instrument of the Corporation or of another entity affected by such information until the information is publicly disclosed. An outside party may be required to enter into a written confidentiality agreement. A written confidentiality agreement will not normally be required from an outside party who owes a duty of trust or confidence to the Corporation because of a special relationship with the Corporation (such as a banker or lawyer).

In order to prevent the misuse or inadvertent disclosure of non-public *material information*, the following procedures should be observed at all times:

- documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals on a need-to-know basis;

- code names should be used, where appropriate;
- confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
- confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;
- Applicable Persons must ensure that they maintain the confidentiality of information in their possession outside of the office as well as inside the office;
- unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded and extra copies of confidential documents should be shredded or otherwise destroyed; and
- access to confidential electronic data should be restricted through the use of passwords.

7. AUTHORIZED CORPORATION SPOKESPERSONS

The CEO, the CFO, the SVP Corporate Development and the Managing Director, Australia are designated as the main spokespersons (the "**Main Spokespersons**") authorized to communicate with the investment community, investors and the media with respect to new material events or *material changes*. The Director Investor Relations (the "**Secondary Spokesperson**", together with the Main Spokespersons, "**Spokespersons**") is authorized to communicate with the investment community, investors and the media with respect to new material events or *material changes*, only after the CEO has had the opportunity to communicate to the same.

Spokespersons are authorized to communicate with the investment community, investors and the media with respect to all other matters that are not new material events or *material changes*.

Applicable Persons may from time to time be authorized by the CEO to respond to certain inquiries as necessary or appropriate.

Unless authorized as specified above, Applicable Persons who are not Spokespersons, or who have not been authorized by the CEO, are not to respond under any circumstances to inquiries from the investment community or the media and shall refer all calls from the financial community, shareholders and the media to Spokespersons. Failure to follow this policy will result in disciplinary action, including termination for cause.

8. PUBLIC COMMUNICATION PROCEDURE

8.1 Pre-Notification to Exchange

All material timely disclosure press releases of the Corporation should be provided to the Market Surveillance Division by e-mail, fax or hand delivery. If a material press release is

being issued during trading hours, it will generally be necessary for the press release to be provided to the Market Surveillance Division prior to release to allow staff to determine whether trading of securities of the Corporation should be halted.

8.2 Dissemination of Material Information

All press releases should be approved by the Disclosure Committee. Press releases announcing quarter-end and year-end financial results should also be approved by the Board or its designate. Press releases that require a "qualified person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* shall not be released unless the applicable "qualified person" has approved the relevant contents.

The Corporation should release all press releases by a wire service that provides national and simultaneous coverage. Such wire service must meet the following criteria:

- (a) dissemination of the full text of the press release to the national financial press and to daily newspapers that provide regular coverage of financial news;
- (b) dissemination to all members of the Toronto Stock Exchange; and
- (c) dissemination to all relevant regulatory bodies.

The Corporation will maintain a web site and make available to investors all documents provided under timely disclosure requirements applicable to the Corporation such as annual reports, publicly disclosed financial statements, annual information forms, press releases, *material change* reports and management proxy circulars, as well as other investor relations information as well as supplemental information provided at briefings to analysts and institutional investors. All information posted on the web site must not be misleading and must be kept up to date and accurate.

8.3 Material change reports

Where it has been determined by the *Disclosure Committee* that a *material change* has occurred, subject to the paragraph below, the Corporation must immediately issue a news release followed by the filing of a *material change* report within the prescribed time limits and in accordance with Applicable Laws.

If the *Disclosure Committee* determines that (i) the issuance of a news release and the filing of a *material change* report would be unduly detrimental to the Corporation and (ii) there is no reason to believe that persons with knowledge of the *material change* have made use of their knowledge of the *material change* to engage in insider trading, then the Corporation may file a confidential *material change* report in compliance with Applicable Laws.

8.4 Financial reports

Annual and interim financial results will be publicly released as soon as possible following approval of the financial statements by the Board and the Audit Committee of the Corporation, as applicable.

8.5 Forward-looking information, future-oriented financial information and financial outlooks.

Should the Corporation provide the investment community with any forward-looking information, the Corporation will ensure that such statements are accompanied by meaningful cautionary language identifying important factors that could cause actual results to differ materially from those projected in the statement.

8.6 Conference calls

Any conference calls held to discuss quarterly or annual results, major corporate developments or other *material information* shall be announced in advance by a news release that shall include:

- the date and time of the conference call;
- a general description of what is to be discussed;
- the means of accessing the conference call and for how long a replay of the conference call will be available; and
- how such a replay can be accessed.

9. DEALINGS WITH ANALYSTS AND INVESTORS

9.1 Meetings

Meetings with analysts and institutional investors are an important element of the Corporation's investor relations program. Spokespersons, whether they meet or communicate with analysts and investors on an individual or group basis, will do so in a timely, consistent and accurate manner in accordance with the terms of this Policy. Spokespersons will provide only *non-material information* and previously disclosed information during individual or group meetings or communications with analysts or investors, recognizing that an analyst or investor may construct this information into a mosaic that could form *material information*.

Spokespersons shall, when possible, keep notes of telephone conversations with analysts and investors and, where practical, more than one Corporation representative shall be present at all individual and group meetings.

10. COMMENTING ON DRAFT ANALYSTS' REPORTS

With respect to analysts' financial models or draft research reports, it shall be the Corporation's policy to review such materials to identify publicly disclosed factual information that may affect an analyst's model or to point out inaccuracies or omissions with reference to publicly available information. This review process will be conducted by Spokespersons only and shall be conducted orally with the particular analyst or in writing, provided that Spokespersons shall attach a written disclaimer indicating that the review was conducted to ensure factual accuracy only. Under no circumstances should Spokespersons make any confirmations or denials with respect to forecasts, projections or other *forward-looking information* contained in draft analysts' models or reports.

Analysts' reports are proprietary and are subject to copyrights in favour of the analysts' firm. Under no circumstances shall the Corporation distribute copies of analysts' reports to third parties. The Corporation may post on its website a complete list of all of the investment firms and analysts who are known to the Corporation to provide research coverage on the Corporation, regardless of their recommendation. If provided, the list shall not include links to the investment firms or analysts' websites or publications.

11. CONFERENCES AND TRADESHOWS

This Policy, and in particular Section 8, shall apply, where possible, to speeches, roundtable discussions or informal discussions by Applicable Persons made at any industry conference, tradeshow or similar event.

12. INADVERTENT DISCLOSURE

If an individual any Applicable Person becomes aware that there may have been an inadvertent disclosure of non-public *material information* relating to the Corporation, such person should immediately contact a member of the *Disclosure Committee*. To the extent requested by a member of the *Disclosure Committee*, such person shall assist in the development and implementation of a plan to make prompt public disclosure of the *material information* in question on a timely basis by way of news release or other appropriate manner. In addition, reasonable efforts should be made to contact the recipient of the inadvertent disclosure and advise the recipient that such information is non-public *material information* and that the recipient cannot trade in the securities or related financial instruments of the Corporation or of any other entity affected by such information, until such information has been publicly disclosed.

13. RESPONDING TO MARKET RUMOURS

So long as it is clear that the Corporation is not the source of the market rumor, it shall be the policy of the Corporation to respond to market rumours consistently with the following statement: "It is our policy not to comment on market rumours or speculation." Should the relevant stock exchange or securities regulator request the Corporation to make a more definitive statement or respond to a market rumor, the determination of whether or not to do so, and the form of the response, will be made by the CEO or the *Disclosure Committee*.

14. CORPORATION WEBSITE AND ELECTRONIC COMMUNICATIONS

No posting may be made to the Corporation's website unless: (i) it is done in accordance with the guidelines approved by the *Disclosure Committee*, or (ii) it has been approved by two members of the *Disclosure Committee*.

Investor relations material shall be contained within a separate section of the Corporation's website. All data posted to the Corporation's website, including text and audiovisual material, shall show the date that the material was posted. Outdated information shall be moved to an archive.

Only information that is not *material information* or *material information* that has been publicly disclosed may be posted to the investor relations section of the Corporation's website. The following information must be posted to the investor relations section of the Corporation's website:

- all publicly disclosed *material information*, including documents filed with applicable securities regulators (which may be included as a link to the regulator's electronic filing system, such as SEDAR);
- information that is given to analysts, institutional investors and other market professionals (such as fact sheets, fact books, slides of investor presentations and materials distributed at analyst and industry conferences); and
- if available, transcripts or web replays of investor and analyst conferences.

Any link from the investor relations section of the Corporation's website to a third party website must be approved in advance by the *Disclosure Committee*. Any link must include a notice that advises the reader that he or she is leaving the Corporation's website and that the Corporation is not responsible for the contents of the third party website.

Disclosure on the Corporation's website alone does not constitute adequate dissemination of non-public *material information*. Any disclosure of non-public *material information* on the Corporation's website will be preceded by the issuance of a news release or dissemination by other appropriate means.

Only public information or information which could otherwise be disclosed in accordance with this Policy shall be utilized in responding to electronic inquiries.

In order to ensure that no non-public *material information* is inadvertently disclosed, Applicable Persons are prohibited from participating in online chat rooms, bulletin boards or newsgroup discussions on matters pertaining to the Corporation's activities or its securities. Applicable Persons who encounter online significant or concerning discussions pertaining to the Corporation's activities or its securities should promptly advise a member of the *Disclosure Committee*.

15. INSIDER TRADING RESTRICTIONS AND BLACKOUT PERIODS

Reference should be made to the Corporation's Insider Trading Policy for the trading restrictions and blackout periods.

16. POLICY REVIEW AND COMMUNICATION

This Policy shall be reviewed, and amendments proposed as necessary, by the *Disclosure Committee*. All amendments must be recommended by the Governance and Nominating Committee and approved by the Board.

Each new employee of the Corporation will be provided with a copy of this Policy and informed that they are required to read and understand it. This Policy will be brought to the attention of each employee of the Corporation on at least an annual basis and any amendment to this Policy will be brought to the attention of each employee upon becoming effective. .

17. DEFINITIONS

Financial outlook means *forward-looking information* about prospective financial performance, financial position or cash flows that is based on assumptions about future economic conditions and courses of action and that is not presented in the format of a historical statement of financial position, statement of comprehensive income or statement of cash flows.

future-oriented financial information means *forward-looking information* about prospective financial performance, financial position or cash flows, based on assumptions about future economic conditions and courses of action, and presented in the format of a historical statement of financial position, statement of comprehensive income or statement of cash flows.

Forward-looking information means disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action and includes *future-oriented financial information* with respect to prospective financial performance, financial position or cash flows that is presented as a forecast or a projection.

A ***material change*** is generally defined under Applicable Laws as a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of the Corporation's securities and a change in the business, operations or capital of the Corporation would include a decision to implement such a change made by the Board, or by the Corporation's senior management if senior management believes that confirmation of such a decision by the Board is probable.

A ***material fact*** is generally defined under Applicable Laws, in the context of the business and affairs of the Corporation, as any information or fact that would reasonably be expected to have a significant effect on the market price or value of the Corporation's securities.

Material information is any information relating to the business and affairs of the Corporation that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Corporation's securities and includes both a *material fact* and a *material change*.