

## **INSIDER TRADING POLICY**

During the course of your relationship as a director, officer or employee of Copper Fox Metals Inc. (the “Company”), you may receive material information that is not yet publicly available about the Company or about publicly-traded companies with which the Company has business dealings. Because of your access to this information, you may be in a position to profit financially by buying or selling or in some other way dealing in the Company’s shares or shares of another publicly-traded company, or to disclose such information to a third party who does so (i.e. “tipping”). The Company has adopted this policy to oversee trades in its securities by the Company’s directors, officers and employees and the guidelines contained herein will help to ensure that all directors, officers and employees are aware of and comply with their legal obligations and the Company's policy with respect to “insider trading” and “tipping”.

This policy applies to all directors, officers and employees of the Company and of its subsidiaries and should be read in conjunction with the Company’s Corporate Disclosure Policy.

### **I. GENERAL RULE AGAINST INSIDER TRADING AND TIPPING**

- (a) **Insider Trading.** It is illegal for persons in a special relationship with a public company, with knowledge of material information affecting the company that has not been generally disclosed, to buy or sell securities of that company.
- (b) **Tipping.** It is illegal for persons in a special relationship with a public company to inform (“tip”) any other person of material information affecting the company that has not been generally disclosed, except in the necessary course of business.

### **II. PERSONS IN A “SPECIAL RELATIONSHIP” WITH THE COMPANY**

Anyone in a “special relationship” with the Company is caught by the prohibitions against insider trading and tipping contained in securities legislation. The definition of persons who are in a special relationship with a public company includes (but is not limited to):

- (a) directors, officers and employees of the company;
- (b) insiders of the company; and
- (c) anyone (a “tippee”) who learns of material information regarding the Company from someone that the tippee knows or should know is a person in a special relationship with that company.

The definition is very broad and captures a potentially infinite chain of tippees.

The definition of an insider of a company includes (but is not limited to):

- (d) directors and senior officers of:
  - (i) the company;

- (ii) the company's subsidiaries; or
- (iii) of any other company that is an insider of the company; and
- (e) any person or company that owns or controls, directly or indirectly, more than 10% of the voting rights of the outstanding voting securities of a company.

### **III. "MATERIAL INFORMATION"**

Material information is any information relating to the business and affairs of a company that results in, or would reasonably be expected to result in, a significant change in the market price or value of any of the Company's securities. The following is a non-exhaustive list of examples of information that could potentially be material:

- (f) changes in share ownership that may affect control of the Company;
- (g) a major reorganization of the Company or an amalgamation or merger of the Company with another company;
- (h) a takeover bid, issuer bid or insider bid;
- (i) a planned split or consolidation of the Company's common shares;
- (j) a material modification to rights of the Company's securityholders;
- (k) a significant increase or decrease in the Company's near-term earnings prospects;
- (l) any development that affects the Company's resources, technology, products or markets;
- (m) significant new contracts, products, discoveries, patents or services or significant losses of contracts or business; or
- (n) significant acquisitions or dispositions of assets, property or joint venture interests.

### **IV. THE "NECESSARY COURSE OF BUSINESS" EXCEPTION**

The "necessary course of business" exception is a limited one and exists so as not to unduly interfere with the Company's ordinary business activities. The exception is meant to cover communications required to be made to further the business purposes of the Company. Communications in the necessary course of business can include, but are not limited to, communications with:

- (a) vendors, suppliers or strategic partners on issues such as research and development, sales and marketing and supply contracts;
- (b) other directors, officers and employees;

- (c) lenders, legal counsel, auditors, underwriters, financial and other professional advisors to the Company;
- (d) parties to negotiations; and
- (e) government agencies and non-governmental regulators.

**V. SPECIFIC RESTRICTIONS ON TRADING AND TIPPING BY DIRECTORS, OFFICERS AND EMPLOYEES OF THE COMPANY**

- (o) **Prohibited Use of Non-Public Material Information About the Company.** Directors, officers and employees of the Company are prohibited from informing any other person of material nonpublic information affecting the Company (except in the necessary course of business), and from trading securities of the Company until the material information has been generally disclosed by press release and a reasonable period of time (usually two full trading days) has passed for the information to be widely disseminated.
- (p) **Prohibited Use of Non-Public Material Information About a Counterparty.** The prohibition on insider trading and tipping also applies to anyone who has knowledge of material nonpublic information about a counterparty with which the Company is negotiating, or plans to negotiate, a business transaction that has not been generally disclosed. Directors, officers and employees of the Company are prohibited from informing any other person of material nonpublic information affecting the counterparty (except in the necessary course of business), and from trading securities of the counterparty, until the material information has been generally disclosed by press release and a reasonable period of time (usually two full trading days) has passed for the information to be widely disseminated.
- (q) **Prohibited Communications.** Directors, officers and employees of the Company are prohibited from discussing material nonpublic information about the Company with anyone outside the Company. This prohibition covers spouses, family members, friends, business associates, or persons with whom we are doing business (except to the extent that such discussions are in the necessary course of business). You may not participate in “chat rooms” or “blogs” or other electronic discussion forums concerning the activities of the Company or other companies with which the Company does business, even if you do so anonymously. You may never recommend to another person that he or she buy or sell our shares.
- (r) **Stock Options.** The issuance and exercise of stock options or similar share compensation awards are trades in securities for purposes of the insider trading and tipping prohibitions.
- (s) **Derivatives, Options and Warrants.** Buying and selling derivatives (whether issued by the Company or a third party), options, warrants, rights and similar securities are trades in securities for purposes of the insider trading and tipping prohibitions.

- (t) **Speculating in Securities.** Directors, officers, and employees of the Company shall not:
  - (i) short-sell securities of the Company or its affiliates (i.e., sell securities that they do not yet own), except in limited circumstances permitted by corporate and securities laws; and
  - (ii) buy put options, or sell call options, on securities of the Company or its affiliates.

## VI. BLACKOUT PERIODS

The Company's securities may not be traded, and stock options or similar share compensation awards may not be issued or exercised by directors, officers, or employees of the Company during the following blackout periods:

- (u) **Scheduled Blackout Periods.** If determined necessary by the Chief Executive Officer, the Chief Financial Officer or the Disclosure Committee pursuant to the Company's Corporate Disclosure Policy, blackout periods may be implemented during the periods when quarterly and annual financial statements are being prepared and released. These blackout periods may be commenced at any time starting on the 16th day of the last month of each fiscal quarter and ending at the close of business on the first full trading day following the issuance of a press release generally disclosing the quarterly or annual results.
- (v) **Business Milestones.** The board of directors, Chief Executive Officer, the Chief Financial Officer or the Disclosure Committee will announce from time to time the dates of any blackout periods, generally commencing on or about the date when important news becomes known within the Company and ending at the close of business on the first full trading day following the date of the relevant press release.
- (w) **Unscheduled Pending Corporate Developments.** Blackout periods may be recommended from time to time for prescribed periods by the board of directors, Chief Executive Officer, the Chief Financial Officer or the Disclosure Committee because of an unscheduled pending corporate development.

Notwithstanding any of the restrictions placed on trading during blackout periods, the Chief Executive Officer, the Chief Financial Officer or the Disclosure Committee may waive the prohibitions on trading contained in this section in exceptional circumstances, provided that the director, officer or employee seeking the waiver does not possess any material nonpublic information regarding the Company and that such waiver would not violate any applicable securities laws. The Chief Executive Officer, the Chief Financial Officer or the Disclosure Committee, as applicable, will promptly report any such waivers to the Chair of the Corporate Governance and Nominating Committee.

## **VII. PRE-CLEARANCE OF TRADES**

To protect the reputation of the Company and avoid the appearance of impropriety, all directors and officers of the Company must notify all proposed trades in the Company's securities (including the exercise of stock options or other similar share compensation awards) to determine whether there is any pending material information about the Company that has not been generally disclosed by press release that would preclude the trade. Such notification must be made to the Chief Executive Officer or, if not available, the Chief Financial Officer.

The Chief Executive Officer or the Chief Financial Officer may from time to time require employees of the Company who have access to confidential material information to pre-clear proposed trades in the Company's securities.

## **VIII. INSIDER REPORTS**

Subject to any applicable exceptions, insider reports must be filed by all insiders (which includes directors and officers) of the Company under securities laws to report the ownership of, and trades in, securities of the Company (including the issuance and exercise of stock options or similar share compensation awards). It is the insider's, and not the Company's, responsibility to file insider reports when required. **The filing of an insider report does not relieve the insider from any other responsibility under this policy.**

## **IX. DISCIPLINARY ACTION**

Directors, officers and employees of the Company who violate this policy will be subject to disciplinary action by the Company. The type of disciplinary action will be dependent on the nature of the violation and may result in:

- (x) the immediate suspension or dismissal of those individuals concerned, if applicable; and/or
- (y) the Company reporting those individuals concerned to securities enforcement authorities, which could lead to civil and/or criminal sanctions.

## **X. SURVIVAL OF POLICY**

This policy continues to apply to your transactions in the Company's securities even after your employment or directorship with the Company has terminated. Specifically, if you are in possession of non-public material information when your employment or directorship terminates, you may not trade in the Company's securities until three business days after such information has become public or is no longer material.

## **XI. POTENTIAL CIVIL AND CRIMINAL SANCTIONS**

The consequences of prohibited insider trading, tipping or a failure to file an insider report where required on a timely basis can be severe and may include dismissal, fines, and criminal sanctions.

## **XII. ENFORCEMENT**

The Chief Executive Officer or the Chief Financial Officer shall approve and monitor the trading activity of all insiders, directors, officers and employees of the Company and any questions related to trading or this policy should be directed to the Chief Executive Officer or the Chief Financial Officer.