

**AQUILA RESOURCES INC.
(the “Corporation”)**

DISCLOSURE POLICY

January 15, 2019

Aquila Resources Inc., its subsidiaries and affiliate companies (collectively, the “Corporation”) is committed to providing timely, orderly, consistent and credible information, consistent with legal and regulatory requirements, to promote orderly behaviour in the market for its securities. The Corporation believes that it is important that this standard of disclosure be maintained evenly during both good times and bad and that all participants in the investment community have full and fair access to this information.

I. PURPOSE

The purpose of this policy is to confirm in writing the Corporation’s existing policy and outline a number of management structures that are intended to facilitate the development and maintenance of realistic investor expectations by ensuring that all required disclosures are made on a broadly disseminated basis in accordance with all applicable laws, without being unduly optimistic about prospects for future performance or unduly dismissive of applicable risks.

This policy applies to any form of written communication, and where possible, any form of oral communication.

II. GENERAL DISCLOSURE OBLIGATIONS

Whenever there is a Material Change in the affairs of the Corporation, applicable securities laws require the Corporation to immediately issue a press release disclosing the nature and substance of this change and subsequently file a report in respect of such change with securities regulators within prescribed time limits.

A “**Material Change**” is generally defined under applicable securities 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 Corporation’s board of directors, or by the Corporation’s senior management if senior management believes that confirmation of such a decision by the board of directors is probable.

In addition to the above-noted requirement to disclose material changes, applicable stock exchange rules also require The Corporation to make immediate disclosure, by way of a press release, of Material Information.

“**Material Information**” or a “**Material Fact**” is generally defined under applicable securities laws, in the context of the business and affairs of the Corporation, as any information or fact that significantly affects,

or would reasonably be expected to have a significant effect on, the market price or value of the Corporation's securities.

Unless, after consultation with the Chief Executive Officer, there is reason to believe otherwise, directors, officers and employees of the Corporation should assume that information regarding the following topics is always "material":

Corporate Structure

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

Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in the Corporation's dividend payments or policies
- the initiation of a proxy fight
- material modifications to rights of security holders

Financial Results

- revenue and earnings figures (both historical and forward looking)
- a significant increase or decrease in near-term earnings prospects
- 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 Corporation's assets
- any material change in the Corporation's accounting policies

Business and Operations

- any development that affects the Corporation's resources, technology, products or markets in a significant way
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, or services or significant losses of contracts or business
- changes to the board of directors or executive management of the Corporation, including the departure of the Corporation's CEO, CFO, COO or president (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 officers, directors, and other key employees

- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Corporation's securities or their movement from one quotation system or exchange to another

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 Corporation

Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the Corporation's assets
- defaults under debt obligations, agreement to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements

The above list is provided for convenience only and is not exhaustive. There are many other types of information that also could be "material". The determination of whether or not a particular fact or a particular piece of information is "material" should be made in the context of the Corporation's business, affairs and financial condition and prospects as well as the market conditions surrounding the value of the Corporation's securities, from time to time. The exercise of this judgment will be the responsibility of the Corporation's Chief Executive Officer, with the input of the Senior Management Team. Any person who is uncertain as to whether particular information is "material" should contact the Chief Executive Officer.

III. DISCLOSURE PRINCIPLES

The Corporation will adhere to the following basic disclosure principles:

- Material information will be publicly disclosed by news release on a timely basis, except as set out below, and as required by applicable securities laws and stock exchange rules.
- Disclosure of material information should be balanced and factual.
- Unfavourable news shall be disclosed as promptly and completely as favourable news.
- If the Chief Executive Officer determines that the public disclosure of certain information would be premature (for example, the release of the information would prejudice negotiations in a major corporate transaction), the information will be kept confidential, to the extent permitted by law, until the Chief Executive Officer determines it is necessary or appropriate to publicly disclose. In those circumstances, if necessary, a confidential material change report will be filed with the applicable securities regulators, and the Chief Executive Officer will periodically (at least every 10 days) review his decision to keep the information confidential.
- 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. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with any analyst or in a telephone conversation with an investor). If previously undisclosed 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 XII (Inadvertent Disclosure) must be followed.
- 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 given.

IV. FORWARD-LOOKING INFORMATION

Forward-looking information is information about prospective results of operations, financial position or changes in financial position, based on assumptions about future conditions and courses of action. The following are guidelines that will be adhered to by the Corporation in publicly disclosing forward-looking information (in writing, in person, via conference calls or webcast):

- The forward-looking information, if determined to be material, will be broadly disseminated by news release or other appropriate means, in accordance with this Disclosure Policy.
- The information will be clearly identified as forward-looking.
- The forward-looking information will be accompanied by a statement that identifies, in specific terms, risks and uncertainties that may cause the actual results to differ materially from those set out in the forward-looking information.
- The forward-looking information will be accompanied by a statement that disclaims any intention or obligation of the Corporation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current events to be materially off target or to have materially changed, the Corporation may choose to issue a news release explaining the reasons for the difference.
- Earnings (or other financial) guidance shall be reviewed by the Corporation's Audit Committee prior to any public disclosure.

V. DISCLOSURE CONTROLS AND PROCEDURES

It is essential that the Senior Management Team 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 directors, officers and employees of the Corporation are under a positive obligation to make the Senior Management Team aware of any circumstances or events that could reasonably be considered to be "material" within the context of this Disclosure Policy.

For the purposes of this policy, the “Senior Management Team” is comprised of the Chief Executive Officer, the Chief Financial Officer and Corporate Secretary, the Chief Operating Officer, the Senior Vice-President, Projects and the Director of Corporate Development and Investor Relations.

In consultation with the Senior Management Team, the Chief Executive Officer shall make the final determination whether undisclosed or non-public information is material or whether a material change in the business and affairs of the Corporation has taken place.

All material information shall be communicated to the Board of Directors and all material disclosure documents shall be reviewed and approved by the Board prior to public dissemination and/or filing with the regulatory authorities.

Material disclosure documents include the following:

- press releases
- annual information form,
- financial statements and notes (both annual and interim),
- management’s discussion and analysis (both annual and interim),
- management information circular,
- notice of annual meeting to shareholders, and
- form of proxy for use at the applicable shareholders meeting.

The contents of material disclosure documents shall be confirmed by Senior Management prior to review and approval by the Board.

All other public written disclosures, including speeches, written statements, presentations to securities analysts and institutional investors (including scripts for conference calls) and other external written communications must be reviewed by at least one member of Senior Management prior to its use and/or public dissemination.

VI. MAINTAINING CONFIDENTIALITY

All directors, officers and employees of the Corporation who know 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 directors, officers or employees communicate information to others in the necessary course of business, only that information which is necessary for the person communicating the information or the recipient to be able to perform his/her responsibilities at the Corporation should be disclosed.

A communication in the “necessary course of business” would generally cover communications with:

- Vendors, suppliers or strategic partners on issues such as research and development, marketing and supply contracts
- Directors, officers and employees of the Corporation
- Lenders, legal counsel, auditors, financial advisors and underwriters

- Parties to negotiations
- Labour unions
- Industry associations
- Government agencies and non-governmental regulators
- Credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the credit rating is or will be publicly available)

Outside parties privy to undisclosed 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 of The Corporation 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 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.
- Employees must ensure that they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
- Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- 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. Extra copies of confidential documents should be shredded or otherwise destroyed.
- Access to confidential electronic data should be restricted through the use of passwords.

VII. AUTHORIZED CORPORATE SPOKESPERSONS

The Chief Executive Officer is hereby designated as the only spokesperson (the “Main Designated Spokesperson”) authorized to communicate with the investment community, investors and the media with respect to new material events or material changes. The Chief Financial Officer, the Chief Operating Officer, the Senior Vice President, Projects and Director of Corporate Development and Investor Relations (the “Designated Spokespersons”) are hereby authorized to communicate with the investment

community, investors and the media with respect to new material events or material changes, only after the Chief Executive Officer has had the opportunity to communicate to the same.

The Main Designated Spokesperson and the Designated Spokespersons are hereby 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.

Other directors, officers or employees within the Corporation may from time to time be authorized by the Chief Executive Officer to respond to certain inquiries as necessary or appropriate.

Unless authorized as specified above, directors, officers and employees of the Corporation who are not the Main Designated Spokesperson or the Designated Spokespersons, or who have not been authorized by the Chief Executive Officer, 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 the Main Designated Spokesperson and/or the Designated Spokespersons.

VIII. PUBLIC COMMUNICATION PROCEDURES

The principal method of publicly disclosing material information by the Corporation will be by news release to ensure wide dissemination. No news release may be issued by the Corporation unless the Board of Directors has been provided with a draft of the news release and an opportunity to review it. The Chief Executive Officer and Chief Financial Officer will make a determination as to whether a news release should be reviewed by legal counsel on a case-by-case basis.

Conference calls may be held on major corporate developments so that the information will be accessible simultaneously to all interested parties.

If the Toronto Stock Exchange is open for trading at the time of the issuance of a news release announcing material information, prior notice of the news release must be provided to the market surveillance department of the stock exchange to enable a trading halt, if deemed necessary by the stock exchange. If a news release announcing material information is issued outside of trading hours, the market surveillance department of the stock exchange must be notified of the news release before the market reopens.

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

News releases will be disseminated through an approved news wire service that provides simultaneous national and/or international distribution.

News releases will be posted on the Corporation's website as soon as possible after release over the news wire.

Any conference calls held to discuss quarterly or annual earnings, 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.

IX. DEALINGS WITH ANALYSTS AND INVESTORS

Meetings with analysts and institutional investors are an important element of the Corporation's investor relations program. The Designated 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 Disclosure Policy. The Designated Spokespersons will provide only non-material information and previously disclosed information during individual or group meetings or communications with analysts or investors.

Designated 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.

It shall be the policy of the Corporation not to confirm or deny analysts' projections or estimates.

X. 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 for factual content only and give guidance only when assumptions have been made on the basis of incorrect publicly available historical data that render conclusions unrealistic. This review process will be conducted by the Designated Spokespersons only and shall be conducted orally with the particular analyst. The draft report or model, if provided to the Corporation, shall not be retained. Under no circumstances should the Designated 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 without the prior written consent of the analyst or his/her firm. If any analyst report is distributed to third parties, it shall be covered with the approved form of disclaimer that is available from the Corporate Secretary. 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.

XI. CONFERENCES AND TRADESHOWS

This Disclosure Policy shall apply, where possible, to speeches, roundtable discussions or informal discussions by any director, officer or employee of the Corporation made at any industry conference, tradeshow or similar event.

XII. INADVERTENT DISCLOSURE

If a director, officer or employee of the Corporation becomes aware that there may have been an inadvertent disclosure of non-public material information relating to the Corporation, such person should immediately contact the Chief Executive Officer or the Chief Financial Officer and Corporate Secretary. To the extent requested by the Senior Management Team, the director, officer or employee in question 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. For these purposes, prompt public disclosure shall mean the later of (i) 24 hours, and (ii) the opening of the next trading day on the Toronto Stock Exchange, in each case after such person became aware of the inadvertent disclosure.

Material information is "non-public" if it has not been disseminated in a manner making it available to investors generally. Directors, officers and employees of the Corporation should assume that any material information that has not been publicly disclosed for at least one calendar day is still "non-public". Any person who is uncertain as to whether particular information is "non-public" should contact the Chief Financial Officer and Corporate Secretary.

XIII. RESPONDING TO MARKET RUMOURS

So long as it is clear that the Corporation is not the source of the market rumour, 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 rumour, the determination of whether or not to do so, and the form of the response, will be made by the Chief Executive Officer.

XIV. CORPORATION WEBSITE AND ELECTRONIC COMMUNICATIONS

The Corporation's web site must be maintained in accordance with the following requirements:

- no posting may be made to the Corporation's website unless: (i) it is done in accordance with the guidelines provided by the Senior Management Team, or (ii) it has been approved by the Director of Corporate Development and Investor Relations.
- investor relations information must be placed on a separate page on the website and must not be commingled with any sales and marketing or promotional material regarding the Corporation;
- only information that is not Material Information, or Material Information that has been publicly disclosed, may be placed on the web site;
- inaccurate information must be promptly removed from the website and a correction posted;
- information contained on the investor relations page should, to the extent practicable, be archived when it is no longer current;

- a list of all equity analysts known to follow the Corporation may be posted on the investor relations page, but analysts' reports and other information authored by third parties must not be posted on the website;
- no links may be created from the website to chat rooms, newsgroups or bulletin boards.
- if the Corporation is considering a public distribution of its securities, the content of the website must be reviewed with legal counsel before and during the offering to ensure compliance with applicable securities laws.

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

Anyone subject to this policy must not discuss, publish, disseminate or disclose the Corporation's confidential or proprietary information or its business activities on the Internet or through any social media forum, including Facebook, Twitter, LinkedIn, Instagram, blogs, bulletin boards, other than through the posting and sharing of information that has been approved by the Senior Management Team.

XV. INSIDER TRADING RESTRICTIONS AND BLACKOUT PERIODS

Reference should be made to the Corporation's Insider Trading Policy for the trading restrictions and blackout periods that are applicable to directors, officers and employees.

XVI. MONITORING AND REVIEW

The Senior Management Team will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

This policy will be reviewed periodically by the Corporation and may be amended at any time. Employees, officers and directors will be fully informed of any material revisions to this policy.

Approved January 2019