

**AQUILA RESOURCES INC.
(the "Corporation")**

INSIDER TRADING POLICY

January 15, 2019

Aquila Resources Inc. ("Aquila") is listed and traded on the Toronto Stock Exchange (the "TSX") and as such, Aquila its subsidiaries and affiliate companies (collectively, the "Corporation"), as well as the directors, officers and employees of the Corporation, are subject to Canadian securities laws, including those which impose penalties for "insider trading". Due to the seriousness of the issues surrounding insider trading, Aquila has determined that the directors, officers and employees of the Corporation, should be subject to certain restrictions in their ability to trade in the securities of Aquila.

I. PURPOSE

This policy has been developed to assist the Corporation and its directors, officers and employees in avoiding any risk of violating securities laws in connection with the handling of corporate information and to prevent inadvertent violations of the restrictions on insider trading. This policy is not intended to be an exhaustive summary of the applicable legislative requirements.

The securities commissions of the provinces of Canada (collectively the "Commissions") continue to focus attention on the obligations of a corporation and its directors, officers and employees concerning the release of significant corporate information. Because of their concern with the accuracy and completeness of statements made by or on behalf of companies, the Commissions pursue a vigorous program of enforcement against persons who trade in the securities markets on the basis of material information that is not yet generally known to the marketplace.

II. SCOPE OF APPLICATION

Except for Section V (Insider Reporting Requirements) below, this policy applies to all directors, officers and employees of the Corporation (collectively "Insiders"). Section V applies to only those directors, officers and employees that are required by the Commissions, due to their position with the Corporation, to file insider trading reports (collectively "Reporting Insiders"). See Section V for further details.

This Policy applies to any and all trades in Aquila's securities including, but not limited to, common shares, options to purchase such shares, restricted share units or other types of securities that Aquila may issue in the future. "Trading" in Aquila's securities refers to the purchase, sale and/or transfer of ownership of Aquila's securities; having others trade on the Insider's behalf; and advising, "tipping" or otherwise assisting third parties with trading in Aquila's securities or any other Corporation affected by the information.

III. RESTRICTIONS ON TRADING

Aquila has imposed the following specific rules with respect to trading in its securities by Insiders.

- No Insider shall trade in securities of Aquila at any time if he/she is in possession of non-public material information. The Corporation's Disclosure Policy contains guidance as to what constitutes a "material change" or "material information" and as to when information is "non-public".
- Non-public material information shall not be communicated by an Insider to any person other than in the necessary course of business or used by an Insider for any purpose other than to carry out such person's duties to the Corporation. The Corporation's Disclosure Policy contains guidance to assist Insiders in determining when communications are "in the necessary course of business".
- No trading in securities of Aquila by any Insider can take place during the period commencing on the date the Insider is aware of or is notified of undisclosed material information and ending at the end of the 2nd calendar day after a new release is issued disclosing the applicable material information.
- No trading in securities of Aquila by any Insider can take place during the period commencing 25 days following the end of a fiscal quarter and 30 days following the Corporation's fiscal year end, and ending at the end of the 2nd calendar day after a news release is issued disclosing the applicable quarterly or annual results.
- Insiders must contact the Chief Financial Officer and Corporate Secretary prior to any trade to inquire whether or not there is any reason that he/ she should not trade.
- If an Insider is advised by the Chief Financial Officer and Corporate Secretary of the existence of a "black out" period, no trading in securities of Aquila by such Insider shall take place until such persons have been advised by the Chief Financial Officer and Corporate Secretary that such "black out" period has ended.
- No Insider may at any time sell short the securities of Aquila.
- In order to avoid possible inadvertent conflict with these guidelines, standing sell orders or standing purchase orders should not be left with a broker.
- Insiders are prohibited from hedging their equity-based compensation awards or the value of the securities they hold.

IV. INSIDER TRADING PENALTIES

Liability arises for an Insider following a trade by an Insider in securities of Aquila on the basis of a material change or material information with respect to the Corporation which has not been disclosed to the public or for disclosing such information to persons who use such information for the purpose of trading. Such liability may, in addition, extend to the Corporation itself. Directors, officers and employees should not rely solely on their own judgment when determining whether particular information is material, but seek advice when needed from the Chief Financial Officer and Corporate Secretary.

Any Insider who violates this Insider Trading Policy or knows of such violation by any other persons, must report the violation immediately to the Chief Financial Officer and Corporate Secretary. Upon learning of any such violation, the Chief Executive Officer will determine whether Aquila should publicly release any material non-public information, or whether Aquila should report the violation to the appropriate governmental authority.

All employees of the Corporation have a duty to help ensure that the capital markets function in a fair and equal manner. Insider trading undermines this goal and reflects poorly on the Corporation. Accordingly, the Corporation will take disciplinary action against any employee who is convicted of insider trading, which disciplinary action could include termination of employment.

V. INSIDER REPORTING REQUIREMENTS

The Commissions consider a "Reporting Insider" to be any director, senior officer or 10% shareholder of Aquila. Statutory requirements provide that a Reporting Insider must file a report (an "Insider Trading Report"), other than a nil report, on becoming a Reporting Insider, and must report when a change occurs in his/her direct or indirect beneficial ownership of securities of Aquila, including any transfer of any securities of Aquila into the name of an agent, nominee or custodian and RRSP.

An initial report is required on the date a Reporting Insider became a Reporting Insider of Aquila. This report must be filed within 10 calendar days of this date or penalties to the individual will apply.

Where a Reporting Insider acquires or makes a change in his or her ownership of securities of Aquila, an Insider Trading Report must be filed within 5 calendar days of the ownership change in order to comply with securities legislation in each of the relevant provinces.

The filing of Insider Trading Reports is the personal responsibility of the Reporting Insider in question. If the Reporting Insider needs assistance or has questions, the Reporting Insider is to seek advice from the Chief Financial Officer and Corporate Secretary.

VI. WAIVERS

Waiver of any provision of this policy in a specific instance may be authorized in writing by the Chief Executive Officer, and any such waiver shall be reported to Aquila's board of directors at its next regularly scheduled meeting.

VII. REVIEW

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