

**INV Metals Inc.
Insider Trading and Blackout Policy**

INV Metals Inc. (“INV Metals”) has adopted this policy on insider trading and trading blackouts in order to encourage the strict compliance by all insiders with the prohibition against insider trading.

General Rule

All those with access to material confidential information are prohibited from using such information in trading in INV Metals’ securities until the information has been fully disclosed and a reasonable period of time has passed for the information to be disseminated. In general, INV Metals requires that a minimum of two clear trading days be allowed after the release of all such disclosures, including after the release of financial statements as well as certain black-out periods noted below.

This prohibition applies not only to trading in INV Metals’ securities, but also to trading in other securities whose value may be affected by changes in the price of INV Metals’ securities.

If an employee or insider becomes aware of undisclosed material information about another public corporation, the employee or insider may not trade in securities of that other corporation.

Insider trading is strictly regulated by the corporate and securities laws in Canada, as well as by the rules of The Toronto Stock Exchange.

Insiders

All directors, officers and major shareholders (holding over 10% of INV Metals’ common shares) of INV Metals are insiders¹ and must file an initial report with the applicable securities

¹ The term “insider” is broadly defined in the applicable legislation and includes:¹

- (a) a director or officer of a reporting issuer;
- (b) a director or officer of a company that is itself an insider or a subsidiary of a reporting issuer;
- (c) a person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all voting securities of the reporting issuer for the time being outstanding other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) a reporting issuer where it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

commissions and with all other securities regulatory authorities in Canada upon acquiring any securities in INV Metals or upon becoming an insider (whichever last occurs) and must report all trades made in the securities of INV Metals within five calendar days of the day the trade is made. Trades include a change in nature of the ownership of the securities (e.g. a disposition to a company controlled by the insider or a determination that the securities are to be held in trust for another person). An “officer” is defined as:

- (a) a chair or vice-chair of the board of directors, a chief executive officer, a chief operating officer, a chief financial officer, a president, a vice-president, a secretary, an assistant secretary, a treasurer, an assistant treasurer and a general manager of a company or any other individual who performs functions for an issuer similar to those normally performed by an individual occupying such office; and
- (b) each individual designated as an officer under a by-law or similar authority of the issuer.

Each person that is obligated to file a report is responsible for filing his or her own report.

“Special Relationship”

Any person or company that is in a “special relationship” with INV Metals is prohibited from trading on the basis of undisclosed material information concerning the affairs of INV Metals. A person or company considered to be in a “special relationship” includes the following:

- (a) insiders;
- (b) affiliates or associates of INV Metals which include, for example, INV Metals’ subsidiaries and all employees, their spouses and other relatives that live with the employee;
- (c) a person or company proposing to make a take-over bid of INV Metals or to become a party to a reorganization, amalgamation or merger with INV Metals; and
- (d) a person INV Metals involved in the provision of business or professional services for INV Metals, including employees.

Securities laws also prohibit “tipping” which is defined as communicating non-public material information, other than in the necessary course of business, to another person. All employees must ensure that they do not divulge such non-public information to any unauthorized person, whether or not such person may trade on the information. If in doubt about the need to disclose, the matter should be discussed with the Chief Executive Officer of INV Metals.

Speculation in Securities

In order to ensure that perceptions of improper insider trading do not arise, insiders should not “speculate” in securities of INV Metals. For the purpose of this Policy, the word “speculate”

means the purchase or sale of securities with the intention of reselling or buying back in a relatively short period of time in the expectation of a rise or fall in the market price of such securities. Speculating in such securities for a short term profit is distinguished from purchasing and selling securities as part of a long term INV Metals investment program.

Insiders should not at any time sell securities of INV Metals short or buy or sell a call or put option in respect of securities of INV Metals or any of its affiliates.

Liability for Insider Trading

Liability is imposed by the *Securities Act* (Ontario) (the “Act”) on certain persons who, in connection with the purchase or sale of securities, make improper use of material information that has not been publicly disclosed.

The relevant provincial securities legislation provides that persons who are in a special relationship with INV Metals and purchase or sell securities of INV Metals with knowledge of material information which has not been generally disclosed may be liable for damages to the person on the other side of the trade. In addition, any such person who informs or tips a seller or a purchaser of securities of confidential material information may be liable for damages. The purchaser, vendor or informer is also liable to account to INV Metals for his or her gain. Under the Act, a person could also be fined up to the greater of \$1,000,000 and three times any profit made and/or imprisoned for up to two years.

Please note that anyone who learns of material undisclosed information from any person in a special relationship with INV Metals is also considered to be in a special relationship with INV Metals.

What is a Security?

The definition of “security” includes shares, options, subscriptions or other interests in or to a security and includes puts, calls, or other rights or obligations to purchase or sell securities, the market price of which varies materially with the market price of the securities of a corporation.

Trading Blackouts

1. General

A trading blackout prohibits trading of a security (as defined above and including, for greater certainty, the grant and/or exercise of stock options):

- (a) before a scheduled material announcement is made;
- (b) before an unscheduled material announcement is made; and
- (c) for a specific period of time after a material announcement has been made.

Management will consider pending transactions to determine when to prohibit trading. In some cases, the prohibition on trading may occur as soon as discussions about a transaction begin.

During blackout periods, INV Metals must also avoid discussions with analysts, private briefings and interviews to the maximum extent reasonable. An appropriate response (not involving disclosure of material and/or non-public information) should be developed ahead of meetings that cannot be avoided to handle questions about the information which is the subject of the blackout.

2. **Pre-announcement Trading Blackout**

(a) Scheduled material announcements

All directors, officers and employees are prohibited from trading for a minimum of ten trading days before the release of financial statements.

(b) Unscheduled material announcements

INV Metals will impose a blackout period if there is a pending undisclosed material development on all directors, officers and employees where they are prohibited from trading. The blackout period will commence at the time that INV Metals becomes aware of material undisclosed information.

3. **Post-announcement Trading Blackout**

INV Metals must allow the market time to absorb the information before directors, officers and employees can resume trading after the release of material information.

(a) Scheduled material announcements

All directors, officers and employees are prohibited from trading for two trading days after the release of financial statements.

(b) Unscheduled material announcements

All directors, officers and employees are prohibited from trading for two trading days after the announcement has been made.

The Chief Executive Officer of INV Metals will keep a record of the dates of all trading black-out periods and the reason for the black-out period.

4. **Contact Person**

Prior to initiating any trade in securities of INV Metals, a director or officer seeking to make the trade must contact the Chief Executive Officer or the Chief Financial Officer of INV Metals to determine whether or not they may complete the trade. The Chief Executive Officer shall also be responsible for monitoring and ensuring compliance with this Insider Trading and Blackout Policy.