



CODE OF BUSINESS CONDUCT AND ETHICS

1. Overview

Azarga Metals Corp. (“Azarga Metals” or the “Company”) Code of Business Conduct and Ethics (the “Code”) reflects our commitment to a culture of honesty, integrity and accountability and outlines basic principles and policies with which all directors, officers and employees of Azarga Metals are expected to comply. Canadian securities regulators recommend companies to have such a Code for good corporate governance.

This Code applies to all directors, officers and employees of Azarga Metals. References in this Code to Azarga Metals or the “Company” means Azarga Metals or any of its subsidiaries. **Reference to “Employees” includes all directors, officers, employees and consultants.** If you work for Azarga Metals, no matter what your title is - you are an Employee.

Supervisors are responsible for ensuring all Employees receive a copy of the Code and are made aware of any changes to it. Employees are responsible for reading, understanding and complying with the Code. **Please read this Code carefully.**

Azarga Metals is committed to conducting its business affairs in compliance with all applicable laws, statutes, rules and regulations and expects Employees acting on its behalf to do likewise. In addition, business dealings among Employees and by Employees with shareholders, customers, suppliers, community organizations, and governmental and regulatory authorities must be based on principles of honesty, integrity and the ethical standards described below.

Azarga Metals requires the highest level of professional and ethical conduct from our Employees. Our reputation for honesty and integrity is a key to the success of our business. No Employee will be permitted to violate laws or regulations, or participate in unscrupulous dealings.

This Code is not meant to be a complete listing of business conduct and ethics covering every eventuality. Consequently, should an employee be confronted with a situation where further guidance is required, the matter should be discussed with his or her immediate supervisor, senior management or Azarga Metals’s legal counsel as outlined in Sections 17 and 18.

We intend that the Azarga Metals' business practices will be compatible with the economic, environmental and social priorities of each location in which we operate. Although customs vary by country and standards of ethics may vary in different business environments, honesty and integrity must always characterize our business activity. If a law conflicts with a policy in this Code, you must comply with the law; however, if a local custom or policy conflicts with this Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

In addition to following this Code in all aspects of your business activities, you are expected to seek guidance in any case where there is a question about compliance with both the letter and the spirit of our policies and

applicable laws. This Code sets out basic principles to guide all Employees of the Company.

Employees who violate the standards set forth in this Code will be subject to disciplinary action up to and including dismissal. *If you are in a situation that you believe may violate or lead to a violation of this Code, follow the guidelines described in Section 7 below.*

Your cooperation is necessary to the continued success of our business and the cultivation and maintenance of Azarga Metals' reputation as a good corporate citizen.

2. Compliance with Laws, Rules and Regulations

Compliance with the letter and spirit of all laws, rules and regulations applicable to our business is critical to our reputation and continued success. All Employees must respect and obey the laws of the cities, provinces, states and countries in which we operate and avoid even the appearance of improper or illegal behaviour. Not all Employees are expected to know the details of these laws, but it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel. In many if not all situations, ignorance will not protect you from getting into trouble. The Company has available information to promote compliance with laws, rules and regulations, including insider trading laws. Training sessions may be held from time to time and Employees are encouraged to learn about these laws, rules and regulations continuously.

3. Conflicts of Interest

A conflict of interest occurs when an Employee's private interest interferes, or appears to interfere, in any way with the interests of the Company. A conflict can arise when an Employee takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an Employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, such persons are likely to pose conflicts of interest, as are transactions of any kind between the Company and any other organization in which you or any member of your family have an interest.

It is almost always a conflict of interest for an Employee to work simultaneously for a competitor, customer or supplier. You must request written permission from Azarga Metals if you are working for a competitor as a consultant or director. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on behalf of the Company.

Activities that could give rise to conflicts of interest are prohibited unless specifically approved by the Board of Directors or the Audit Committee. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interests should be reported immediately to your supervisor or the Company's Secretary.

4. Corporate Opportunities

Employees are not allowed to take for themselves opportunities that arise through the use of corporate property, information or position, or from using corporate property, information or position for personal gain. Employees are also prohibited from competing with the Company directly or indirectly. Employees owe a duty to the Company to advance the legitimate interests of Azarga Metals when any opportunity to do so arises. Should the Company turn down an opportunity, an Employee should request written confirmation from Azarga Metals' Chief Executive Officer before attempting to benefit from the opportunity.

5. Confidentiality

During the normal course of business, employees will have access to business and information records of a confidential nature. Confidential information is any information, which has not been made public by the Company through its designated spokespersons or publicly disclosed documents. Confidential business information is not to be disclosed externally or used for any inappropriate purpose, such as trading in shares. These requirements apply both during and after termination of employment.

Employees must maintain the confidentiality of information entrusted to them by the Company or that otherwise comes into their possession in the course of their office or employment, except when disclosure is authorized or legally mandated. Employees have a duty of confidentiality even if they don't sign a confidentiality agreement. The obligation to preserve confidential information continues even after you leave the Company.

Confidential material could include information received from or developed by other Employees, or information acquired from outside sources, including suppliers, shareholders and customers, sometimes under obligations of secrecy. Employees are expected to utilize such information exclusively for business purposes. The information must not be disclosed externally without the approval of their supervisor or used for any inappropriate purpose. In cases where information or records are obtained under an agreement with a third party, such as confidentiality agreements, software licenses or technology purchases, Employees must ensure that the provisions of such agreements are strictly adhered to.

Unauthorized disclosure or use of information or records could expose the employee involved and/or the Company to serious consequences.

6. Protection and Proper Use of Company Assets

All Employees should endeavor to protect the Company's tangible and intangible assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incidents of fraud or theft should be immediately reported for investigation.

Company assets, such as funds, products or computers, may only be used for legitimate business purposes or other purposes approved by management. Company assets may never be used for illegal purposes.

The obligation to protect Company assets includes proprietary information. Proprietary information includes any information that is not generally known to the public or would be helpful to our competitors. Examples of proprietary information include intellectual property, such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data or reports. Unauthorized use or distribution of this information is a violation of Company policy. It may also be illegal and may result in civil and criminal penalties. The obligation to preserve proprietary information continues even after you leave the Company.

7. Insider Trading

Employees who have access to confidential information are not permitted to use or share with anyone that information for stock trading purposes or for any other purpose except the conduct of the business of the Company. All nonpublic information about the Company should be considered confidential. To use nonpublic information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal.

8. Fair Dealing

We seek to outperform our competition fairly and honestly. Azarga Metals seeks competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information obtained without the owner's consent or inducing the disclosures of proprietary information or trade secrets by past or present Employees of other companies is prohibited. Each Employee should deal fairly with the Company's customers, suppliers, competitors and Employees. Nobody should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

9. Discrimination and Harassment

We value the diversity of our Employees and are committed to providing equal opportunity in all aspects of

employment. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. Employees are encouraged to speak out when a co-worker's conduct makes them uncomfortable, and to report harassment when it occurs.

10. Safety and Health

We are all responsible for maintaining a safe and healthy workplace by following safety and health rules and practices. Azarga Metals is committed to keeping its workplaces free from hazards. Please report any accidents, injuries, unsafe equipment, practices or conditions immediately to a supervisor or other designated person. Threats or acts of violence or physical intimidation are prohibited.

In order to protect the safety of all Employees, Employees must report to work in condition to perform their duties and free from the influence of any substance that could prevent them from conducting work activities safely and effectively.

11. Environmental Protection – Compliance with Environmental Laws

Azarga Metals' operations have the potential to create environmental impacts. These impacts can be on air, soil and water quality, or represent visual eyesores, unacceptable noises and/or vibrations. It is the duty of all Employees to focus on avoiding or minimizing such impacts, whether they affect humans, animals or plants. Azarga Metals will be required to spend considerable funds on environmental issues as we develop the Company's projects. Therefore, reducing or removing environmental impacts makes sense both to maximize profits and to reinforce Azarga Metals' image as a good corporate citizen.

Azarga Metals is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Company must be in strict compliance with all applicable Federal and Provincial environmental laws and regulations. If any employee has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should discuss the matter with a member of the senior management or Azarga Metals' legal counsel.

12. Recordkeeping

Honest and accurate recording and reporting of information is critical to our financial reporting and our ability to make responsible business decisions. Azarga Metals' records are relied upon to produce reports for the Company's management, shareholders, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must truthfully and accurately reflect all corporate transactions and conform to all legal and accounting requirements and our system of internal controls. Employees must ensure that accounting procedures comply with Canadian generally accepted accounting principles at all times, and with United States generally accepted accounting principles when applicable.

All Employees have a responsibility to ensure that the Company's records, including accounting records, do not contain any false or intentionally misleading entries. We do not permit intentional misclassification of transactions as to accounts, departments or accounting periods. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

All Company books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect Company transactions and must conform to both applicable legal requirements and the system of internal controls of the Company. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable laws or regulations.

Business records and communications may become public through legal or regulatory investigations or the media. We should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies. This applies to communications of all kinds, including email and informal notes or interoffice memos. Records should be retained and destroyed in accordance with the

Company's records storage and retention policy. Employees must not alter, distort, conceal or destroy any document, record or object for the purpose of impeding or obstructing any investigation conducted by Azarga Metals or any government or regulatory agency.

13. Use of Email and Internet Services

Email systems and Internet services are provided to help us do work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. You may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit material or jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as harassment. Also remember that our systems can be hampered by junk mail and trivia and by hacker exploits brought on by improper use.

Employees should not download copyrighted materials, should not copy material that is not licensed to the Company and should follow the terms of a license when using material that is licensed to the Company. No changes should be made to licensed materials without the prior consent of the Company. In addition, Employees are discouraged from downloading games, screensavers, etc as these are common sources of viruses. You should carefully monitor your computer system for slowness or unusual problems and deal with these immediately, to prevent spreading the problem throughout the Company.

Your messages (including voice mail) and computer information are considered the Company's property and you should not have any expectation of privacy. Unless prohibited by law, the Company reserves the right to access and disclose this information as necessary for business purposes. Use good judgment, and do not access, send messages or store any information that you would not want to be seen or heard by other individuals.

14. Political Activities and Contributions

We respect and support the right of our Employees to participate in political activities. However, these activities should not be conducted on Company time or involve the use of any Company resources such as telephones, computers or supplies. Employees will not be reimbursed for personal political contributions.

We may occasionally express our views on local and national issues that affect our operations. In such cases, Company funds and resources may be used, but only when permitted by law and by our strict guidelines. The Company may also make limited contributions to political parties or candidates in jurisdictions where it is legal and customary to do so. No employee may make or commit to political contributions on behalf of the Company without the approval of senior management.

15. Gifts and Entertainment

Business gifts and entertainment are customary courtesies designed to build goodwill among business partners. These courtesies include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, travel, accommodation and other merchandise or services. In some cultures they play an important role in business relationships. However, a problem may arise when such courtesies compromise – or appear to compromise – our ability to make objective and fair business decisions.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. These guidelines apply at all times, and do not change during traditional gift-giving seasons. No gift or entertainment should ever be offered, given, provided or accepted by any Employee, or by any family member of a Employee, unless it

- (1) is not a cash gift,
- (2) is consistent with customary business practices,
- (3) is not excessive in value,
- (4) cannot be construed as a bribe or payoff and
- (5) does not violate any applicable laws or regulations.

Please discuss with your supervisor any gifts or proposed gifts if you are uncertain whether they are appropriate.

16. Waivers of this Code of Business Conduct and Ethics

Any waiver or exception of this Code with respect to any Employee may only be made by the Board of Directors or the Audit Committee of the Board. Any such waiver will be promptly disclosed to the extent required by applicable laws or stock exchange regulations.

17. Reporting of any Illegal or Unethical behavior in Violation of the Code

We have a strong commitment to conduct our business in a lawful and ethical manner. Employees are encouraged to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation and to report violations of laws, rules, regulations or this Code, either in writing or in person. We prohibit retaliatory action against any Employee who, in good faith, reports a possible violation. It is unacceptable to file a report knowing it to be false.

Azarga Metals has established a Whistleblower Policy that includes procedures to facilitate the confidential, anonymous submission by Employees and others of complaints or concerns regarding accounting, internal controls or auditing matters, and the Company's receipt, retention and treatment of those complaints. Should Employees have any such complaints, they should adhere to the direction of the Whistleblower Policy, which is provided on the Company's website and instructs that complaints be reported to the Chair of the Audit Committee or the Company's general legal counsel.

18. Compliance and Reporting Procedures

This Code cannot, and is not intended to, address all of the situations you may encounter. There will be occasions where you are confronted by circumstances not covered by policy or procedure and where you must make a judgment as to the appropriate course of action.

Since we cannot anticipate every situation that may arise, it is important for the Company to set forth a general way to approach a new question or problem. These are the steps to keep in mind:

- ***Make sure you have all of the facts.***
In order to reach the right solutions, you must be as fully informed as possible.
- ***Ask yourself what you are specifically being asked to do.***
This analysis will enable you to focus on the specific issues that are raised and the available alternatives. Use your judgment and common sense. If something seems unethical or improper, it probably is.
- ***Clarify your responsibility and role.***
In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and to discuss the problem.
- ***Discuss the problem with your supervisor.***
This approach is best in most if not all situations. Your supervisor may be more knowledgeable about the issue and will appreciate being brought into the process. It is a supervisor's responsibility to help you to solve problems.
- ***Seek help from Company resources.***
In the rare instance in which it may not be appropriate to discuss an issue with your supervisor, or in which you feel uncomfortable approaching your supervisor, discuss the problem with the Company's general legal counsel. If you prefer to write, address your concerns to the Company's general legal counsel or the Chief Executive Officer.

- **You may report ethical violations in confidence and without fear of retaliation.**
If your situation requires that your identity be kept secret, the Company will protect your anonymity. The Company does not permit retaliation of any kind against Employees for good faith reports of ethical violations.
- **Ask first.**
If you are unsure of the proper course of action, seek guidance before you act.

If you do not feel comfortable discussing the matter with your supervisor, please call or write Mr. Alex Molyneux, the Chair of the Audit Committee. We strive to ensure that all questions or concerns are handled fairly, discreetly and thoroughly.

Alex Molyneux
 Audit Committee Chair, Azarga Metals Corp.
 c/o Azarga Metals Corp.
 Unit 1 – 15782 Marine Drive
 White Rock, B.C. Canada
 V4B 1E6
 Tel +1 (604) 536-2711

19. Administration

Azarga Metals’ Board of Directors has established the standards of business conduct contained in this Code and oversees compliance with this Code as well as conducting annual reviews and revision. It has appointed the Chair of the Audit Committee to serve as liaison to ensure compliance with this Code.

A copy of the Code will be provided to existing Employees and included in orientation materials for new Employees. Directors and officers of the Company are required to sign the attached Compliance Certificate on an annual basis and employees are required to sign the Compliance Certificate when they are engaged or when the Code is introduced.

Azarga Metals’s Contacts for Corporate Governance

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| Mr. Alex Molyneux, Chair of the Audit Committee | +1 (604) 536-2711 |
| Ms. Doris Meyer, Chief Financial Officer and Corporate Secretary | +1 (604) 536-2711 |
| Mr. Dorian (Dusty) Nicol, Chief Executive Officer | +1 (604) 536-2711 |

This Policy was last revised and approved by the Board on July 8, 2016.