



INSIDER TRADING POLICY

A. Statement of Purpose

This Insider Trading Policy (the "Policy") exists to advise all directors, officers, employees and contractors of Silver Elephant Mining Corp. and its controlled subsidiaries (collectively "Silver Elephant " or the "Company"), of their responsibilities regarding continuous disclosure, price sensitive information and insider trading. Silver Elephant takes continuous disclosure and insider trading very seriously. It expects its directors, officers, employees and contractors to do the same. This document outlines Silver Elephant's policy and procedures for compliance with the laws concerning continuous disclosure and insider trading and is intended to protect employees from inadvertently breaching those rules. All directors, officers, employees and contractors of Silver Elephant are subject to the following policy relating to investments in Silver Elephant's securities and where relevant, securities of other public issuers.

B. Overview

Silver Elephant's common shares are publicly traded and presently listed on the Toronto Stock Exchange ("TSX"). As such, the law regulates the use and disclosure of information concerning Silver Elephant's business and activities that could affect the price of Silver Elephant's securities. The laws on continuous disclosure and insider trading exist to encourage full disclosure of price sensitive information by the issuer of securities to the public market and to prevent people who have price sensitive information that is not known to the market (insiders) from taking advantage of it.

If Silver Elephant's directors, officers, employees and contractors or others have or have access to price sensitive information which has not been disclosed to the market and misuse it by trading or passing it on to unauthorized people, serious penalties may apply.

Securities legislation that applies to Silver Elephant is subject to change. While we will attempt to update this Policy to reflect any changes in such laws, we can give no assurance that at any point this policy will be up to date and will accurately reflect applicable securities law. Compliance with this policy does not necessarily equate to compliance with applicable legislation. If you have any questions or if you are unsure whether any particular information is material or price sensitive or whether it has been disclosed to the public as required, you are encouraged to contact the Company's Corporate Secretary.

C. Price Sensitive Information

Price sensitive information is, generally speaking, non-public information that would reasonably be expected to have a material effect on the price or value of Silver Elephant's securities. Examples of price sensitive information include:

- A material change in Silver Elephant's financial forecast or expectation. The TSX general policy is that variation in excess of 10% is likely to be considered material.
- A material change in Silver Elephant's ore reserves forecast or expectation.
- Drill results where good or bad are material.
- The existence of key projects to acquire or dispose of Silver Elephant's businesses or assets;
- The impending appointment or departure of a key senior executive or director; and
- A declaration of a dividend.

As a starting point you should regard all information about Silver Elephant and its business and activities as confidential and price sensitive, unless you are certain that the information is in the public domain or is not otherwise sensitive or restricted.

D. Relevant Legislation

As a director, officer, employee or contractor of Silver Elephant , you may from time to time obtain or have access to price sensitive information that is not generally available to others outside of Silver Elephant . That information is inside information and as a recipient of that information you will be considered an insider. Securities legislation prohibits any person who is an insider, or in a "special relationship" with the Company from either:

- Purchasing or selling Silver Elephant shares with the knowledge of a material fact or material change concerning the Company that has not been generally disclosed; or
- Informing (or "tipping"), other than when necessary in the course of business, another person or company of a material fact or material change concerning the Company before the material fact or material change has been generally disclosed.

The definition of an insider varies from statute to statute but in any case, will include directors and senior officers of the Company and contractors who receive confidential information from the Company while providing services to the Company. Generally, securities legislation defines insiders as:

- (a) a director or an officer of an issuer,
- (b) a director or an officer of a company that is itself an insider or a subsidiary of an issuer,
- (c) a person that has

- (i) beneficial ownership of, or control or direction over, directly or indirectly, or
- (ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of an issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person as underwriter in the course of a distribution,
- (d) an issuer that has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security, or
- (e) a person that is in a prescribed class of persons.

An Officer includes, the President, any Vice Presidents, General Managers, the Corporate Secretary, the Treasurer, the Controller or any other individual who performs functions for an issuer similar to those normally performed by an individual occupying any such office and each of the five highest paid employees of an issuer.

Those people deemed to have a “special relationship” with the Company are as follows:

- Directors, Vice Presidents, senior management positions and other designated employees of Silver Elephant ;
- Persons or corporations who learn of a material fact or material change concerning Silver Elephant .

The penalties for a breach of this prohibition are strict. In Canada, a breach may render an insider personally liable to prosecution and, upon conviction, to a fine of up to one million dollars or two years in jail, or both. Further, an insider may be subject to civil actions initiated by certain security holders, the companies whose securities were traded and various securities commissions.

Furthermore, any person who is associated with an insider, including any family member, spouse of the insider or any person living with the insider, is also deemed to be a person in a special relationship with the Corporation, and is subject to the same legal obligations and duties.

E. Application of the Policy

The application of this policy is directed to ensuring that Silver Elephant meets its continuous disclosure and insider reporting obligations. Central to fulfilling these obligations is adherence to the protocol for dealing in the Corporation’s securities.

E.1 Continuous Disclosure

The general rule is that if a material change occurs in Silver Elephant’s affairs then Silver Elephant must immediately issue a news release and inform the TSX. This rule is generally known as the requirement for Continuous Disclosure.

Examples of when this general rule does not apply include:

- The information is confidential;
- It would be a breach of law to disclose the information;
- The information concerns an incomplete proposal or negotiation;
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure; and
- The information is regarding a change of fact that is not material.

Silver Elephant has a protocol outlining how information is released to the public. The protocol focuses on continuous disclosure and improving access to information for all investors.

E.2 Insider Reporting Obligations

A person or Company who becomes an insider of Silver Elephant must file an insider report within five days of the date of becoming an insider. With prior arrangement, assistance in filing the insider report can be provided by the Company Corporate Secretary. However, the obligation to report still falls on the insider. An insider whose direct or indirect beneficial ownership of or control or direction over securities of Silver Elephant changes must file an insider report of the change within five days of the date of the change.

Insiders may choose to delegate their regulatory insider reporting obligations to the Company's Corporate Secretary or undertake such reporting independently. Those individuals that delegate regulatory reporting to the Company's Corporate Secretary must provide all details of any transaction to the Company Corporate Secretary within 24 hours of the transaction taking place.

Each Director, Officer, Insider or Deemed Insider is solely responsible to report within five calendar (5) days of any change in the beneficial ownership of, or control or direction over, whether direct or indirect of Silver Elephant securities and must report their holdings of Silver Elephant securities with the Company's Corporate Secretary in order to enable monitoring of individual holdings within the five (5) days period of such change.

E.3 Protocol for Dealing in Silver Elephant Securities

Silver Elephant has made the following provision for blackout periods during which directors and officers are prohibited from trading. If at any time the CFO deems that there is an unusual event or unscheduled development, the CFO can implement a blackout period to the officers and directors of the Company.

Unscheduled developments and significant corporate acquisitions, divestitures, contract negotiations, material new information regarding Silver Elephant's resources or reserves, asset write downs or similar transactions that will generally result in a material change in the affairs of Silver Elephant and a blackout period will be instigated.

- The closed period begins as soon as management is aware of the development and continues until material information has been publicly disseminated and is reflected in the market price of Silver Elephant's securities, that is a full trading day after the dissemination.
- If you are unsure whether or not you may trade in a given circumstance, you should contact the CFO or Company's Corporate Secretary to determine if the particular information is or is not material.

F. Further Information

The following notes are provided as additional information to help clarify certain aspects related to insider trading.

a) Disclosure of Information to Others

Silver Elephant has established procedures for releasing material information in a manner that is designed to achieve broad public dissemination of the information immediately upon its release.

You may not, therefore, disclose information to anyone outside Silver Elephant , including family members and friends, other than in accordance with those procedures. You also may not discuss Silver Elephant or its business in an internet “chat room” or similar internet-based forum.

The requirement of this Policy is in addition to existing policies and agreements with respect to the non-disclosure of confidential information and the general rule that Silver Elephant business is not to be discussed with anyone outside Silver Elephant except as necessary in connection with the conduct of Silver Elephant’s business. As an employee of a public corporation, you should be aware that many people, including stock brokers, market analysts, journalists and stockholders have an interest in information about the Company and may seek to obtain it from you. If you receive any inquiry of this kind, you should decline to respond and refer the inquiry to the Company Corporate Secretary.

b) Material Information

Material information is any information that a reasonable investor would consider important in making a decision to buy, hold or sell securities. Any information that could be expected to affect Silver Elephant’s stock price, whether it is positive or negative, should be considered material. Some examples of information that ordinarily would be regarded as material are:

- Changes in resources and reserves
- Projections of future earnings or losses or other earnings guidance;
- Earnings that are inconsistent with the consensus expectations of the investment community;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A change in dividend policy, the declaration of a stock split or an offering of additional securities;
- A change in management;
- Impending bankruptcy or the existence of severe liquidity problems; and
- The gain or loss of a significant customer or supplier.

c) Twenty-Twenty Hindsight

Anyone scrutinizing transactions will be doing so after the fact, with the benefit of hindsight. As a practical matter, before engaging in any transaction, carefully consider how enforcement authorities and others might view the transaction in hindsight.

d) When Information is “Public”

If you are aware of material non-public information, you may not trade until the information has been disclosed broadly to the marketplace (such as by press release or a SEDAR filing) and the investing public has had time to absorb the information fully.

To avoid the appearance of impropriety, as a general rule, information should not be considered fully absorbed by the marketplace until a full trading day has lapsed after the information is released. If, for example, Silver Elephant was to make an announcement on a Monday before the market opened, you should not trade in Silver Elephant’s securities until Tuesday. If an announcement was made on a Friday after the market has closed, Tuesday generally would be the first eligible trading day. Holidays in which securities markets are closed are not business days and therefore extend the applicable period.

e) *Transactions by Family Members*

The insider trading policy also applies to your family members who reside with you, anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Silver Elephant securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in Silver Elephant stock). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Silver Elephant stock.

f) *Stock Option Exercises*

Silver Elephant's insider trading policy does not apply to the exercise of an employee stock option. The policy does apply, however, to any sale of Silver Elephant securities acquired on exercise of stock options, including sales as part of a broker assisted exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

g) *Additional Prohibited Transactions.*

Silver Elephant considers it improper and inappropriate for any director, officer or other employee of the Silver Elephant to engage in short-term or speculative transactions in the Silver Elephant's securities. It therefore is the Silver Elephant's policy that directors, officers and other employees may not engage in any of the following transactions:

- *Short Sales*

No employee, officer or director shall engage in short sales of securities of the Company or sales of borrowed securities of the Company. For purposes hereof, the short sale of Company shares as a method of facilitating the exercise of a valid option granted by the Company shall be deemed not to be a short sale for purposes of the aforementioned restriction notwithstanding any such sale-against-an-option must be treated as a short sale under Canadian securities legislation. Before selling short against an option, the holder of the option should bring the proposed transaction to the attention of the Company's CEO or CFO so as to ensure the transaction is treated properly.

No officer or director shall place automatic buy or sell orders with brokers except for a Trading Plan entered into with a qualifying broker under Section 161 of the rules to the *Securities Act* of British Columbia, provided that you were not in possession of undisclosed material information (unless it has since been disclosed) at the time you established the Trading Plan.

- *Post-Termination Transactions*

The Policy Statement continues to apply to your transactions in Silver Elephant stock even after you have terminated employment. If you are in possession of material non-public information when your employment terminates, you may not trade in Silver Elephant stock until that information has become public or is no longer material. You are reminded that the prohibition under securities laws on trading while in possession of material non-public information applies to anyone and is not limited to employees of the issuer.

Accordingly, the risk of a violation and the imposition of penalties as outlined above does not end when you terminate your employment with Silver Elephant . Any person who has a question about this Policy or its application to any proposed transaction may obtain additional guidance from the CFO or Company Corporate Secretary. Ultimately, however, the responsibility for adhering to this Policy Statement and avoiding unlawful transactions rests with the individual.

G. Waivers of the Policy

Any waiver of this Policy for the benefit of a director or officer may be made only by the Board, or if permitted, a committee thereof. Any such waiver will be promptly disclosed as required by applicable law or stock exchange regulations.

Reviewed & Approved by the Corporate Governance
& Compensation Committee on February 19, 2021
Reviewed & Approved by the Corporate Governance
& Compensation Committee on October 21, 2020

Approved by the Board of Directors on February 19, 2021
Approved by the Board of Directors on November 25, 2020
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Approved by the Board of Directors on March 27, 2012