



## WHISTLEBLOWER POLICY

### *Introduction*

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Silver Elephant Mining Corp. (“Silver Elephant ” or the “Company”), is committed to complying with all applicable requirements including those concerning corporate accounting practices, accounting controls and auditing practices (“Accounting Standards”) and with its Code of Ethics, which requires the observation of high standards of business practices and ethics in the conduct of the business and operations of the Company, its subsidiaries and affiliates.

Pursuant to the Charter of the Audit Committee of the Board of Directors of the Company and applicable regulatory requirements, it is the policy of the Company to establish, maintain, and develop procedures for a confidential and anonymous complaint procedure to facilitate (1) the receipt, retention and treatment of questions and issues received by the Company regarding the Company’s accounting, internal accounting controls, auditing matters and its Code of Ethics, and (2) the confidential, anonymous submission by directors, officers or employees of the Company and any other stakeholders, of questions and issues regarding questionable accounting or auditing matters or violations of the Company’s Code of Ethics. To meet these needs, the Company’s audit committee has developed this Whistleblower Policy.

Examples of matters that might form the basis for a report under this Whistleblower Policy include:

- a. questions and issues regarding the Company’s compliance with Accounting Standards, including:
  - i. financial disclosure regarding the Company or any of its subsidiaries;
  - ii. fraud or deliberate misstatement in the preparation, evaluation, review or audit of any financial statement of the Company;
  - iii. fraud or deliberate misstatement in the recording and maintaining of financial records of the Company;
  - iv. deficiencies in or non-compliance with the Company’s internal policies and controls;
  - v. misrepresentation or a false statement by or to a director, officer or employee of the company or any of its subsidiaries regarding a matter contained in the financial records or audit reports; or
  - vi. deviation from full and fair reporting of the Company’s financial condition, or
- b. questions and issues regarding non-compliance with the Company’s Code of Ethics including violation of any corporate policies, including without limitation health and safety, environmental, operational or ethical matters.

## **A. Purpose**

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The purpose of this Policy is to state clearly and unequivocally that the Company prohibits discrimination, harassment and/or retaliation against any Company Personnel who (i) reports complaints regarding financial statement disclosure issues, accounting, internal accounting controls, auditing matters or violations of the Code; or (ii) provides information or otherwise assists in an investigation or proceeding regarding any conduct which he or she reasonably believes to be a violation of employment or labour laws; securities laws (including the rules and regulations of the British Columbia Securities Commission, the securities regulatory authorities in any other province and territory of Canada and the Toronto Stock Exchange) and laws regarding fraud or the commission or possible commission of a criminal offence (collectively, "**Applicable Laws**"). Everyone at the Company is responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation prohibited by this policy. No Company Personnel has the authority to engage in any conduct prohibited by this Policy.

1. This Policy protects any Company Personnel who legitimately and in good faith:
  - (i) discloses an alleged violation of Applicable Laws, by any person with supervisory authority over the person, or any other person working for the Company who has the authority to investigate, discover or terminate conduct prohibited by this Policy;
  - (ii) files, causes to be filed, testifies, participates in, or otherwise assists in a proceeding filed under Applicable Laws;
  - (iii) provides information, causes information to be provided, or otherwise assists in an investigation regarding any conduct which the Company Personnel reasonably believes constitutes fraud when the information or assistance is provided to or the investigation is conducted by law enforcement, regulatory authorities, a legislature, or the Company; or
  - (iv) submits any complaint regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Code in accordance with the procedures set out above.
  
2. If a Company Personnel legitimately and in good faith engages in any of the activities listed above, the Company will not discharge, demote, suspend, threaten, harass or otherwise discriminate or retaliate against him or her in the terms or conditions of employment because of that activity. However, since such allegation of impropriety may result in serious personal repercussions for the target person or entity, the person making the allegation of impropriety should have reasonable and probable grounds before reporting such impropriety and should undertake such reporting in good faith, for the best interests of the Company and not for personal gain or motivation.

## **B. Complaint Procedures**

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1. Any Company Personnel who legitimately and in good faith believes that he or she may have been the subject of prohibited discrimination, harassment and/or retaliation or is aware of any conduct which may be prohibited by this Policy is strongly encouraged to report immediately the facts forming the basis of that belief or knowledge. Any Company Personnel who witnesses any conduct which he or she legitimately and in good faith believes may be prohibited by this Policy must immediately report the matter. If any Company Personnel would like to discuss any matter with the Company's Audit Committee or the Company's Corporate Secretary, he or she should communicate this in the incident reporting and provide a telephone number at which he or she might be contacted if the Audit Committee or the Corporate Secretary, as the case may be, deems it appropriate.

a. The following reported incidents will be communicated by the person:

- accounting and auditing irregularities, including financial statement;
- disclosure issues and internal accounting controls;
- falsification of Company records;
- fraud or violations of laws regarding fraud;
- improper loans to Company executives;
- insider trading;
- retaliation against whistleblowers;
- workplace violence or threats;
- violations of the Code; and
- commission or possible commission of criminal offences.

b. The following reported incidents will be communicated by the person:

- conflicts of interest;
- breaches of securities laws, other than insider trading and matters related to financial statement disclosure;
- breaches of environmental laws;
- breaches of employment or labour laws;
- discrimination;
- employee relations;
- fraudulent insurance and benefit claims;
- kickbacks;
- policy issues;
- product and/or quality concerns;
- release of proprietary information;
- safety issues and sanitation ;
- sexual harassment;
- substance abuse;
- wage, salary and hour issues;
- theft of cash;
- theft of goods or services; and
- theft of time.

The person reporting the incident may communicate the incident by one of the following methods:

- i. By telephone or email on a **confidential and anonymous** basis through Whistleblower Security, a hotline service to the Corporate Secretary at 1-604-589-3661 (et. 101) or the Chair of the Audit Committee at 604-880-5178 or via email to [greg@gregoryhall.ca](mailto:greg@gregoryhall.ca)

**OR**

- ii. In writing to the Chair of the Audit Committee of the board of directors as follows:

***Confidential***

Chair, Audit Committee  
Silver Elephant Mining Corp.  
Suite 1610, 409 Granville Street  
Vancouver, B.C. V6C 1T2  
Canada

- c. It is the obligation of all Company Personnel to cooperate in any investigation conducted by the Audit Committee or the Corporate Secretary, as the case may be. Those responsible for the investigation will maintain the confidentiality of the allegations of the complaint and the identity of the persons involved, subject to the need to conduct a full and impartial investigation, remedy any violations of the Company's policies, or monitor compliance with or administer the Company's policies.
- d. The investigation generally will include, but will not be limited to, discussions with the complainant (unless the complaint was submitted on an anonymous basis), the party against whom allegations have been made, and witnesses, as appropriate.
- e. In the event that an investigation establishes that any Company Personnel has engaged in conduct or actions constituting discrimination, harassment and/or retaliation in violation of this Policy, the Company will take immediate and appropriate corrective action up to and including termination of an employee's employment.
- f. In the event that the investigation reveals that the complaint was frivolously made or undertaken for improper motives or made in bad faith or without a reasonable and probable basis, that complainant's supervisor will take whatever disciplinary action may be appropriate in the circumstances.

***C. Audit Committee Procedures***

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1. Those contacted shall promptly forward to the Chairman of the Audit Committee any complaints that it has received regarding the matters enumerated in item 2(C) above.
2. Following the receipt of any complaints submitted hereunder, the Audit Committee shall investigate each matter so reported and take corrective and disciplinary actions, if appropriate, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase, bonus or stock options, suspension without pay or termination of employment.
3. The Audit Committee may enlist employees of the Company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints it receives. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the complainant.
4. The Audit Committee shall retain as a part of the records of the Audit Committee any such complaints or concerns for a period of no less than seven (7) years.

#### ***D. Corporate Secretary Procedures***

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1. Those contacted shall promptly forward to the Corporate Secretary any complaints that it has received regarding the matters enumerated in item 2(D) above.
2. Following the receipt of any complaints submitted hereunder, the Corporate Secretary shall investigate each matter so reported and shall report the results of such investigation to the Audit Committee.
3. At any time, the Corporate Secretary may forward complaints to the Audit Committee for its attention.
4. The Corporate Secretary may enlist employees of the Company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints he receives. In conducting any investigation, the Corporate Secretary shall use reasonable efforts to protect the confidentiality and anonymity of the complainant.
5. The Corporate Secretary shall retain as a part of his records any such complaints or concerns for a period of no less than seven (7) years.

(a) **Prohibition Against Retaliation.**

The Company welcomes the courage and honesty of an employee who voices concern over a particular course of action that he or she believes to be unlawful or harmful. Any attempts to intimidate, threaten, harass or retaliate against any employee based upon a good faith report made by an employee pursuant to the Code is strictly prohibited and will result in disciplinary action up to and including termination of the person responsible for any such intimidation, threat, harassment or retaliation.

However, knowingly making groundless or unwarranted complaints - including those with vindictive intent – are not acceptable. Appropriate disciplinary measures will be taken if allegations are initiated for malicious reasons or in bad faith.

(b) **Governmental or Company Inquiry.**

If you receive an inquiry from a regulatory or governmental authority concerning suspected unlawful conduct, you should immediately direct the inquiry to your immediate superior, the Chief Executive Officer, Chief Financial Officer, Corporate Secretary or other member of senior management. In such circumstances, you should take measures to preserve documents and other items relevant to the investigation. To conceal an offence or to alter or destroy evidence is illegal and may result in criminal prosecution. It also violates the Company's commitment of conducting its business in a legal and ethical manner and is strictly prohibited.

If you receive an inquiry from the Company representative or a Board committee in connection with an investigation under the Code, you are equally obligated to take measures to preserve documents and other items relevant to the investigation.

(c) **Failure to Comply or File a Report.**

The Company is committed to complying with all applicable laws, regulations and policies. Such compliance is only possible if all employees, officers and directors ensure that they follow all applicable laws, and Company policies and guidelines. When in doubt, ask the Chief Executive Officer, Chief Financial Officer, Corporate Secretary or other members of senior management. Company Personnel who violate the law or the Company's compliance policies or knowingly fail to report a violation of law or compliance policy may be subject to disciplinary action, up to and including dismissal. The nature and extent of the action will be determined on a case-by-case basis. In reviewing the situation, the following is a partial list of considerations:

- The nature and severity of the offence.
- Whether the persons involved acted reasonably.
- The efforts by the persons involved to obtain guidance before the offence occurred.
- Whether the persons involved reported themselves.

***E. Acting in Good Faith***

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This Whistleblower Policy is intended to encourage and enable directors, officers, employees and all other stakeholders to raise serious concerns within the Company rather than seeking resolution outside the Company. Anyone filing a report must be acting in good faith and have reasonable grounds for filing a report. Any allegations that prove not to be substantiated and that have been made maliciously or knowingly to be false will be viewed as a serious offence. The Company will also recognize situations where a person has made an honest mistake and will take it into account in deciding the course of action to pursue.

***F. Review of Policy***

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The Audit Committee will review and evaluate this Policy on an annual basis to determine whether the Policy is effective in providing appropriate procedures to report violations or complaints regarding Accounting Standards or the Code of Ethics. The Audit Committee will submit any recommended changes to the Board for approval.

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

Approved by the Board of Directors on November 25, 2020  
Approved by the Board of Directors on March 25, 2014