

	ANTI-CORRUPTION AND ANTI-BRIBERY POLICY		
	REVISION NUMBER	ORIGINAL ISSUE DATE March 8, 2018	EFFECTIVE DATE March 8, 2018
SCOPE: This Policy applies to every Bluestone employee, including but not limited to senior executive and financial officers, and to members of the Board of Directors and reflects the standards to which Bluestone expects all people and entities providing work or services for Bluestone (“Employees and Agents”) to adhere to.			
APPROVED BY:	Board Chair	SIGNATURE: <i>"William Lamb"</i>	
ADMINISTERED BY:	Corporate Governance and Nominations Committee		
RELATED DOCUMENTS:	Code of Business Conduct and Ethics Conflict of Interest Policy Disclosure Policy Diversity Policy Privacy Policy Responsible Resource Development Policy Human Rights Policy Whistleblower Policy Elevar Resources Feedback and Grievance Policy		

1. Objective of the Policy

Bluestone Resources Inc. (the “Company” or “Bluestone”) is committed to conducting its business in accordance with applicable law and the highest ethical standards. That commitment is reflected in our Code of Business Conduct and Ethics and in this Anti-Corruption and Anti-Bribery Policy (the "Policy"), which is intended to provide guidance and procedures for compliance with Canada’s Corruption of Foreign Public Officials Act ("CFPOA"), US Foreign Corrupt Practices Act (“FCPA”), UK Bribery Act (“UKBA”) and local laws pertaining to bribery and corruption.

There are laws throughout the world combating bribery and corruption, particularly with respect to government officials, including laws that apply to Bluestone’s international activities. Three such laws are the CFPOA, FCPA and UKBA. Although the CFPOA, FCPA and UKBA are laws of Canada, the United States and the United Kingdom, respectively, such laws can apply to Bluestone anywhere in the world. Additionally, Bluestone’s international activities may be subject to local anti-bribery and anti-corruption laws.

Bluestone is committed to compliance with anti-bribery and anti-corruption laws, even if there may be a perception that local authorities do not enforce such standards.

2. Compliance and Reporting

Employees and Agents are required to take all responsible steps to prevent a violation of this Policy, to identify and raise potential issues as soon as reasonably practicable, and to seek additional guidance when necessary. Bluestone Personnel who have any questions about this Policy are asked to contact Bluestone’s Chief Financial Officer (the “CFO”), or any of the officers of the Company including the Chief Executive Officer (the “CEO”). Suspected violations of this Policy may be reported to Bluestone’s CFO, the Audit Committee Chair, the Elevar Resources S.A. [Feedback and Grievance Hotline](#), or the Bluestone

Resources Inc. [Whistleblower Hotline](#). Information on how to reach Bluestone's CFO, Audit Committee Chair, and the Whistleblower Hotline is posted on Bluestone's website at www.bluestonerresources.ca.

3. Bribery and Corruption

What is bribery and corruption?

Corruption is the misuse of power by government officials or other parties for illegitimate private gain. Bribery is the offer, promise or provision, directly or indirectly, of a loan, reward, advantage or benefit of any kind to a person in a position of power to influence that person's conduct to obtain or retain an improper advantage.

Offers or agreements to pay a bribe are sufficient to constitute a violation of the CFPOA, even if the bribe is not accepted, it is never actually received, or the objective of the bribe is not achieved.

Bribery and corruption can take many forms, including the provision or acceptance of:

- cash payments;
- jobs or "consulting" relationships for the official or his or her family or friends;
- stock options;
- commissions or kickbacks;
- investment opportunities;
- excessive gifts, entertainment or hospitality;
- payment of non-business-related or lavish travel expenses; or
- personal favours to the official or his or her family or friends.

There is no minimum value under the CFPOA, and even things of modest value can trigger a violation.

Corruption and bribery are never acceptable business practices. Employees and Agents are prohibited from offering, paying, promising or authorizing any bribe to any government official, either directly or indirectly.

Who are Government Officials?

The CFPOA defines government officials ("foreign public officials" in the statute) broadly to include any appointed, elected, or honorary official or any employee of a government, of a government-owned or controlled company, or of a public international organization. The definition encompasses officials in all branches and at all levels of government: federal, state or local. A person does not cease to be a government official by purporting to act in a private capacity, or because he or she serves without compensation.

Government officials relevant to Bluestone's business include the following:

- government ministers and their staff members;
- judges;
- ambassadors;
- officials or employees of government departments and agencies including customs, immigration, environment, mines and other regulatory agencies;
- military and police personnel; and
- mayors, councilors or other members of local government.

If you are not sure whether a person is a government official, please contact the CFO or CEO for further guidance.

Because benefits to close relatives, including spouses, children, parents or siblings, of a government official may be deemed by enforcement authorities as indirect benefits to a government official, any gift or entertainment provided to a close relative of a government official must comply with Sections 5 and 6 of this Policy. You must also consult with the CFO or CEO before entering into any contract or transaction with a close relative of a government official or a company owned or controlled by a close relative of a government official.

4. Facilitation Payments

A "Facilitation Payment" is a payment of minimal value made solely to expedite or secure the performance of a routine government action such as the issuance of a permit, license or other document to qualify a person to do business or the processing of official documents, such as visas and work permits. Under this Policy, even Facilitation Payments are prohibited.

5. Gifts to Government Officials

A reasonable gift may be provided to a government official in appropriate circumstances, but only if:

- there is a direct connection to a legitimate business or promotional activity or the performance of an existing contract;
- it is consistent with normal social or business customs in the official's country and with Bluestone's own business practices;
- it is provided in a transparent and open manner;
- the cost is reasonable; and
- it does not create a sense of obligation on the part of the recipient.

The provision to a government official of gifts or other benefits that do not meet those tests is prohibited, as are all gifts in the form of cash, stock or other negotiable instruments.

Any gift to a government official must be accurately accounted for and described in Bluestone records. The description should identify the nature of the gift, its value, the date it was given, and the identity of the recipient.

6. Entertainment of Government Officials

The provision, directly or indirectly, of meals, entertainment, hospitality or any other benefit of any kind to a government official on a scale that might be perceived as creating an obligation on that official is prohibited.

In appropriate circumstances, reasonable meals, entertainment or other normal business hospitality may be provided to a government official, but only if:

- there is a direct connection to a legitimate business or promotional activity or the performance of an existing contract;
- it is consistent with normal social or business customs in the official's country and with Bluestone's own business practices;
- it is provided in a transparent and open manner;
- the cost is reasonable; and
- it does not create a sense of obligation on the part of the recipient.

When considering the reasonableness of the expense, consider the frequency with which such expenses are incurred for an official. Modest costs frequently incurred can, when aggregated, amount to lavish and potentially improper payments.

The provision of any meal, entertainment or other hospitality for a government official must be accurately accounted for and described in Bluestone's records. It must be accounted for in a separate expense report which identifies the type of benefit provided, its value, the date it was provided, and the identity of the recipient.

7. Payment of Travel, Expenses and Per Diems for Government Officials

If a government department does not have adequate resources to undertake required tasks in connection with the regulation or approval of specific activities, Bluestone could be asked to provide financial or other support for such activities.

In appropriate circumstances, and when required by the government to do so, Bluestone may pay reasonable expenses for government officials. Such expenses may be approved when there is a legitimate business need for Bluestone to pay them, for example:

- in connection with contract negotiation or contract execution; or
- in connection with the promotion, demonstration, explanation or inspection of Bluestone's operations.

Such expenses may only be paid where permitted under local law and approved in advance by the CFO or CEO in writing. The expenses must be reasonable in amount and directly related to the business purpose. Bluestone will not pay or reimburse travel or other expenses which are primarily for recreation or entertainment, or for an official's spouse or other family members.

Per diems or cash allowances must not be paid to government officials, except with the prior written authorization of the CFO or CEO.

Where at all possible, all expenses paid for government officials should be paid directly by Bluestone.

The payment of any expense for a government official must be accurately accounted for and described in Bluestone records. It must be accounted for in a separate expense report, accompanied by supporting documentation that identifies the type of expense incurred, the amount, the date provided, and the identity of the recipient.

8. Political Contributions or Charitable Contributions

Bluestone assets (including money, property or other things of value) may not be contributed or otherwise made available to any political candidate, party or committee.

Bluestone may, from time to time, make charitable contributions with the prior approval of the CFO or CEO. All charitable contributions by or on behalf of Bluestone must be accounted for with supporting documentation, including a receipt or written acknowledgment of the donation from the recipient.

Bluestone, its Employees and Agents are prohibited from making contributions to any charity owned or controlled by a government official.

Employees and Agents may otherwise make contributions to charity with their own funds, but no such contributions will be reimbursed by Bluestone.

9. Avoiding Bribery of Non-Government Personnel

While the focus of this Policy is on avoiding bribery and corruption relating to government officials, bribery of non-government personnel is also illegal. Employees and Agents are prohibited from offering, paying, promising or authorizing any bribe to anyone else, including but not limited to non-government organizations, union officials, indigenous peoples, suppliers, off-takers or community leaders, whether directly or indirectly.

This Policy is not intended to discourage a reasonable expense incurred for building a relationship with non-government personnel, so long as:

- it is consistent with normal business customs in the host and recipient's country;
- it is provided in a transparent and open manner;
- the cost is reasonable;
- it is for a legitimate Bluestone business reason; and
- it does not create a sense of obligation on the part of the recipient.

All gifts in the form of cash, stock or other negotiable instruments are prohibited.

10. What to Do in the Event of a Request or Demand for, or Offer of, a Bribe

If anyone requests, demands or offers a bribe, you must decline, noting that Bluestone does not engage in bribery, and make a record of the request, demand or offer as soon as possible. The record should be marked "confidential" and promptly provided to the CFO or CEO so that the CFO or CEO can advise regarding the appropriate next steps.

11. Agents

Association with an Agent who acts disreputably or illegally may cause Bluestone significant harm.

Due Diligence on Agents

Prior to entering into a business relationship with an Agent, a Bluestone employee (the "Employee") must report the potential engagement in writing to the CFO or CEO. No Agent may be engaged without the pre-approval of the CFO or CEO.

The CFO or CEO will direct due diligence on the Agent that addresses:

- the qualifications of the Agent;
- the services the Agent will provide;
- the compensation Bluestone will provide and the basis for believing that compensation is reasonable, given the Agent's experience, the country where the services are to be performed, the expected results and the amount and difficulty of the work to be performed;
- information regarding the Agent's character, reputation and history of conducting business in an ethical and legal manner;
- the business and government affiliations of the Agent and his or her family and close associates;
- if the Agent is not an individual, its directors, officers and shareholders; and
- the propriety of the potential engagement under local law.

The process and extent of due diligence to be performed depends on the circumstances and will be determined by the CFO or CEO. After completing due diligence as appropriate, a written summary of the due diligence findings should be recorded. At a minimum, documentation obtained through due diligence should be preserved.

Contracts with Agents

Bluestone will only retain an Agent using a written agreement that defines the scope of the relationship and the compensation terms. All agreements with Agents will provide, among other things, that:

- the Agent represents that neither he, she or it, nor any of his, her or its owners, directors, principals or close relatives is a government official, and that he, she or it will promptly advise Bluestone of any change in that regard;
- the Agent commits to abide by this Policy and all applicable anti-corruption and anti-bribery laws as if he, she, or it were an Employee;

- Bluestone has grounds to terminate the agreement if it has reasonable cause to believe that the Agent is violating or has violated any applicable anti-corruption or anti-bribery law; and
- Bluestone has the right to audit the Agent's compliance with the agreement.

Managing Agents

Bluestone will maintain a record of the names and contract terms for all Agents.

Payments made to any Agent must be appropriate remuneration for the legitimate services rendered, and must not:

- exceed the amount specified in the written agreement with the Agent;
- be paid in cash;
- be payable to any party other than the Agent at its normal place of business;
- be paid to a bank account different from the one specified in contractual documents; or
- reimburse the Agent for inappropriate or inappropriately documented expenses.

Employees responsible for engaging or working with Agents must regularly monitor the Agents' performance and conduct.

Contracts with Agents must not be extended or renewed without the approval of the CFO or CEO.

12. Internal Controls

Management of Bluestone and each subsidiary will maintain a system of internal controls to facilitate compliance with this Policy, foster a culture of integrity and maintain high ethical standards throughout Bluestone.

13. Books and Records

Bluestone will maintain books and records that accurately reflect all transactions, use and disposition of assets, and other similar information. All Employees and Agents must ensure that:

- all gifts, hospitality, and other expenses are properly reported and recorded;
- any payment made on behalf of Bluestone is supported by appropriate documentation; and
- no Employees and Agents will create or help create any documents for concealing any improper activity.

In reviewing and approving expenses, or in the review of any books and records, any question which may arise in connection with this Policy is to be brought to the attention of the CFO or CEO.

14. Communication of this Policy

All Employees and Agents will be informed of this Policy. Copies of this Policy will be provided to Employees and Agents directly and will also be posted, in English and Spanish, on Bluestone's website at www.bluestonerresources.ca. All Employees and Agents will be advised whenever significant changes are made to this Policy.

To ensure that Employees and Agents are aware of this Policy, a copy of this Policy will be distributed to all Employees and Agents who will be required to annually sign an acknowledgement that they have received, read, and will abide by the Policy. All Employees and Agents will be informed whenever significant changes have been made to this Policy. All new Employees and Agents will be provided with a copy of this Policy together with the Code of Ethics and advised of its importance. Any other stakeholders can refer to the Company website page for updated information on this Policy.

15. Training, Certification and Policy Updates

The CFO or CEO will establish and conduct a suitable training program for all appropriate new or existing Employees and Agents on the compliance goals and requirements of this Policy and will maintain records documenting the date and content of the training and the names of those trained.

All directors and officers of Bluestone together with any Employees and Agents specified by the Audit Committee of the Board must provide annual certification of compliance with this Policy.

The CFO or CEO will review this Policy and report to the Audit Committee on its effectiveness at least annually and will recommend updates of the Policy to the Board as necessary.

16. Reporting Violations

Bluestone expects all Employees and Agents to take steps to prevent a violation of this Policy, including identifying and raising potential issues before they lead to problems, and seeking additional guidance when necessary.

Employees and Agents who become aware of an actual or potential violation of this Policy must promptly report the matter to his or her supervisor, the CFO or CEO or the Chair of the Audit Committee, by calling the Feedback and Grievance line for Elevar Resources: 1-604-922-5953 (in Spanish), or by calling the toll-free number established for purposes of the Bluestone Whistleblower Policy: 1-866-921-6714, in North America.

Employees and Agents who raise concerns will not be subject to retaliation or disciplinary action. Retaliation by anyone for the making of a good faith report of a possible violation of the law or this Policy is prohibited and will result in disciplinary action, up to and including termination.

If Employees and Agent report the matter to a supervisor, that supervisor will immediately communicate the information to the CFO or CEO. The CFO or CEO, in turn, will report all violations or potential violations of this Policy or applicable anti-corruption laws to the Audit Committee Chair, and the Audit Committee in consultation with the CFO or CEO will determine the most appropriate method to investigate the substance of the claims and resolve the matter.

17. Consequences of Violation

Acts by Employees and Agents in violation of this Policy or applicable laws relating to bribery and corruption, including the CFPOA, may damage Bluestone reputation and jeopardize its future business opportunities, expose Bluestone to scrutiny by regulatory bodies and make Bluestone complicit in any illegal acts. Bribery and corruption are very serious offences, and corrupt behaviour by Employees and Agents could expose Bluestone and its Employees and Agents to criminal liability including significant fines and, in the case of individuals, imprisonment for up to 14 years.

Breaches of this Policy will be regarded by Bluestone as serious misconduct, which may lead to disciplinary action, up to and including termination of the employment or engagement of the Employee or Agent.

18. Questions

Any questions regarding this Policy should be directed by email to the CFO (Peter Hemstead: phemstead@bluestonerresources.ca) or the CEO (Jack Lundin: jack.lundin@bluestonerresources.ca).