

## **Delta Resources Limited Trading and Blackout Policy**

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This Policy provides guidelines to directors, Officers, employees and consultants of Delta Resources Limited ("DELTA" or the "Company") and their respective spouses, children, parents and siblings ("Immediate Family Members") to ensure strict compliance with the prohibition against trading securities of the Company while in possession of material, non-public information relating to DELTA. This document is provided to supplement to Delta Resources' Code of Business Conduct and Ethics and Section 6.

### **Application of the Policy**

This Policy applies to all directors, Officers, employees and consultants of DELTA and their Immediate Family Members. This Policy applies to all transactions in securities of DELTA, including the acquisition or disposal of, or agreement to acquire or dispose of, any securities of DELTA and the grant, acceptance, acquisition, disposal, exercise or discharge of any option (whether for the call, or put, or both) or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities, or any interest in securities of the Company. This Policy applies to securities which are owned directly by a director, Officer, employee or consultant of DELTA and their Immediate Family Members, as well as to securities which a director, Officer, employee or consultant and their Immediate Family Members exercises control or direction over (such as in relation to a trust or in relation to minor children or a spouse) or owns indirectly (such as in RRSPs or through a wholly-owned company).

#### **a) "Insiders"; Officer; Reporting Insider; consultant**

All directors, Officers and significant shareholders of the Company (having beneficial ownership of, or control or direction over, directly or indirectly, 10% or more of the voting securities of the Company), as well as the Company itself for so long as it holds its own securities, are Insiders of the Company.

The term "Officer" includes the Company's Chairman; President; Chief Executive Officer; Corporate Secretary; Chief Financial Officer; Chief Operating Officer; Vice Presidents, all consultants to the Company including Consultants involved in Investor Relations, and any other individual who performs functions for the Company similar to those normally performed by an individual occupying such office.

The above mentioned persons also constitute "Reporting Insiders" who are obligated to file Insider Trading Reports with regulatory authorities. Significant shareholders based on all management companies that provide significant management or administrative services to DELTA, and their significant shareholders, directors, chief executive officers, chief operating officers and chief financial officers; and the directors, chief executive officers, and chief operating officers are also considered to be "Reporting Insiders."

The term "consultant" includes, in the case of a consultant company, directors, officers and employees of the consultant.

## **b) "Special Relationship"**

Any person or company that is in a "special relationship" with DELTA is prohibited under Canadian securities laws from trading securities of the Company while in possession of undisclosed Material Information concerning the affairs of the Company. The following persons and companies are among those considered to be in a "special relationship" with DELTA:

- i) Insiders;
- ii) employees of the Company;
- iii) any individual or company engaging in business or other professional activities with or on behalf of the Company, and in the case of a company, each director, officer and employee of such company; and
- iv) "tippees" who learn of Material Information from someone that the tippee knows or should know is in a special relationship with the Company.

If you are uncertain as to the scope of the definition of "special relationship", you should contact the President or Corporate Secretary of the Company as to the existence of any trading restrictions before entering into a transaction.

## **c) "Material Information"**

For the purposes of this Policy, "Material Information" means any information relating to the business and affairs of DELTA that results in or would reasonably be expected to result in a significant change in the market price or the value of the Company's securities, or would reasonably be expected to have a significant influence on a reasonable investor's decisions or a reasonable investor would consider important in making an investment decision with respect to the Company's securities. Material Information includes both "material changes" and "material facts". Examples include quarterly and annual financial results, developments in operations, mergers and acquisitions, changes to the Company's dividend policy, dividend declarations and changes in the board of directors or executive management. A more detailed list of "Disclosure Standards" can be found in National Policy 51-201, which provides helpful guidance on what constitutes Material Information.

### **Trading Restrictions and Blackout Periods**

Insiders, employees and consultants of the Company may trade in the Company's securities, either directly or indirectly, or may exercise direction or control over the trading of its securities, except as follows:

- a) Under Canadian securities laws, a person or company that is in a special relationship with the Company (which includes Insiders, employees and consultants of the Company, as well as their Immediate Family Members) is prohibited from entering into a transaction involving a security of the Company when the person or company is in possession of Material Information which is being kept confidential and/or which has not been made public. Except in the necessary course of business, it is also illegal for any person or company that is in a special relationship with the Company to inform any other person or company of undisclosed Material Information (referred to as "tipping"). Each person or company that is in a special relationship with the Company, with knowledge of confidential and/or

undisclosed Material Information about the Company is prohibited from tipping or trading until the information has been fully disclosed. Any person or company who is not sure whether he, she or it should be trading in securities at any particular time should contact the President or the Company Secretary.

- b) Quarterly blackout periods: None of the following persons or companies may enter into a transaction involving a security of the Company during the periods when quarterly and annual financial statements are being prepared: (a) directors and Officers of the Company and their Immediate Family Members; (b) employees and consultants of the Company who have access to undisclosed Material Information. The blackout periods start once the annual and quarterly financial statements and management disclosure and analysis are sent to the Company audit committee members and end one day after their filing on SEDAR (public disclosure). The Company Secretary will advise directors and Officers of the dates.
- c) Ontario Securities Commission Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* ("OSC Rule 48-501") (a copy of which Rule is attached) imposes restrictions on the ability of certain Insiders of DELTA to purchase or sell securities of the Company during certain restricted periods including those during which the Company is involved in an offering of its securities by way of a prospectus or a private placement. OSC Rule 48-501 provides for a number of exemptions from the trading restrictions. DELTA will institute a Blackout for such periods during which the Company is in the course of distributing its securities.
- d) Blackout periods may be prescribed from time to time as a result of special circumstances relating to DELTA pursuant to which directors, Officers, employees and/or consultants of DELTA, as well as their Immediate Family Members, (and DELTA itself if it is holding its own securities) may be precluded from trading in securities of DELTA.
- e) This Policy also applies to undisclosed Material Information relating to other companies, including the Company's business partners, when that information is obtained in the course of employment with, or other services performed on behalf of, DELTA. Civil and criminal penalties, and termination of employment, may result from trading on inside information regarding the Company's business partners. All DELTA Insiders should treat undisclosed Material Information about the Company's business partners with the same care required with respect to information related directly to the Company.
- f) The President of the Company and for his duly authorized representative (the Audit Committee Chair in the case of Quarterly Financials) shall notify by email the date when a Blackout period commenced as well as when it has ended.

### **Prohibition of Short Selling**

Directors, Officers, employees, and consultants of the Company must not, at any time, sell "short" (i.e. sell, directly or indirectly, a security of the Company if the individual or company does not own or has not fully paid for the security) or sell a "call option" or purchase a "put option" on any of DELTA's securities.

## **Insider Reporting Requirements**

### *a) Filing of an Initial Insider Report*

Securities regulations stipulate that if a person or company: (a) beneficially owns, or has control or direction over, directly or indirectly, securities of the Company; or (b) has an interest in, or right or obligation associated with, a related financial instrument involving a security of DELTA (for example, a derivative), at the time the person or company becomes a Reporting Insider, then **within 10 calendar days of becoming a Reporting Insider**, the person or company must file an initial Insider Report with the securities commissions in the Company's reporting jurisdictions. Otherwise, the Reporting Insider must file an initial Insider Report within 5 calendar days of the Reporting Insider's first transaction involving a security of the Company or a related financial instrument.

### *b) Filing of a Subsequent Insider Report*

Reports should be filed for all changes in a Reporting Insider's beneficial ownership of, or control or direction over, securities of the Company (including all purchase and sale transactions of the Company's securities, option grants and exercises of options, and changes in the nature of ownership) or in the Reporting Insider's interest in, or right or obligation associated with, a related financial instrument involving a security of DELTA, within 5 calendar days of the trade.

### *c) Preparation and Filing of Insider Reports*

Insider Reports are required to be filed electronically on the "System for Electronic Disclosure by Insiders" or "SEDI". SEDI is an Internet-based system for reporting trading information for Reporting Insiders and can be located at [www.sedi.ca](http://www.sedi.ca). Insider Reports (excluding certain personal information) that are filed on SEDI are accessible to the public via the Internet.

## **Insider Liability**

The Ontario Securities Commissions levy fees for late filing of Insider Reports. **It is the Reporting Insider's obligation to pay any fees resulting from failure to file within the time limit or, in the case of DELTA's directors and Officers, resulting from failure to provide DELTA with information in a timely manner.**

## **Further Information**

Any questions concerning Insider Trading matters should be directed to the President and CEO or Corporate Secretary of the company.

This Policy was approved by the Board on August 18, 2019.