



Code of Business Conduct and Ethics

1. INTRODUCTION

This Code of Business Conduct and Ethics (the “**Code**”) outlines a framework of guiding principles for directors, officers, employees and contractors of Valeura Energy Inc. (the “**Corporation**”¹) and its subsidiaries. Each director and officer owes the Corporation a fiduciary duty, including the obligation to act honestly and in good faith with a view to the best interests of the Corporation. As with any statement of policy, the exercise of judgment is required in determining applicability of this Code to each individual situation.’

2. CONFLICTS OF INTEREST

- a. Directors, officers, employees and contractors shall avoid situations that may result in a conflict or perceived conflict between their personal interests and the interest of the Corporation and situations where their actions as directors, officers, employees or and contractors are influenced or perceived to be influenced by their personal interests.
- b. If directors, officers, employees or contractors perceived potential or apparent conflicts of interest arising from their responsibility to the Corporation, such conflict of interest shall be reported promptly in accordance with the procedures of the Code. The Corporation may direct directors, officers, employees or contractors to promptly terminate any relationship or interest that gives rise to a conflict of interest that cannot otherwise be resolved.
- c. In general, a conflict of interest exists for those who use their position at the Corporation to benefit themselves, friends or families.
- d. Full disclosure enables directors, officers, employees or and contractors to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty arises.

3. COMPLIANCE WITH LAW

- a. Each director, officer, employee and contractor must at all times comply fully with applicable law and should avoid any situation which could be perceived as improper, unethical or indicate a casual attitude towards compliance with the law.
- b. Directors, officers, employees and contractors are expected to be sufficiently familiar with any legislation that applies to their directorship, office or employment and shall recognize potential liabilities, seeking legal advice where appropriate.

4. OUTSIDE BUSINESS INTERESTS

- a. No director, officer, employee or contractor may hold a significant financial interest, either directly or through a relative or associate, or hold or accept a position as an officer or director in an organization in a relationship with the Corporation, whereby virtue of his or her position in the Corporation, the director, officer, employee or contractor could in any way benefit the other organization by influencing the purchasing, selling or other decisions of the Corporation, unless that interest has been fully disclosed in writing to the Board.
- b. A “significant financial interest” in this context is any interest in an organization that is substantial enough to yield a gain for the director, officer, employee or contractor as a result of decisions by the Corporation.

5. CONFIDENTIAL INFORMATION AND SECURITIES TRADING

- a. Each director, officer, employee and contractor must comply with the Corporation’s Confidential Information Policy.
- b. Each director, officer, employee and contractor must comply with the Corporation’s Insider Trading and Reporting Policy.

6. RETENTION AND DESTRUCTION OF RECORDS

Records should be retained or destroyed according to the Corporation’s record retention policies or with the written approval or authorization of legal counsel in the absence of retention policies or practices dealing with the specific records. Directors, officers, employees and contractors must not alter, distort, conceal, or destroy any document, record, or object for the purpose of impeding or obstructing any investigation conducted by the Corporation or any government or regulatory agency.

7. ACCOUNTING AND AUDITING

- a. The Corporation’s books, records, accounts and financial statements must appropriately reflect its transactions, and include reasonable detail. These reports must also conform to applicable accounting and financial reporting standards as well as the Corporation’s system of internal controls, including those contained in the Corporation’s *Anti-Corruption Policy*. Officers, employees and contractors must ensure all transactions with which they are involved are authorized and executed in accordance with the Corporation’s policies and procedures.
- b. It is a contravention of this Code to fraudulently influence, coerce, manipulate, or mislead anyone engaged in the performance of an audit of the Corporation’s financial statements.
- c. Any employee or contractor who has concerns or complaints regarding questionable accounting or auditing matters should follow the guidelines in the *Reporting of Inappropriate Activity Policy*.
- d. If the employee or contractor submitting the concern or complaint requests confidentiality, including anonymity, this confidentiality will be protected to the extent permitted by and subject to applicable law.

8. ENTERTAINMENT, GIFTS AND FAVOURS

- a. Directors, officers, employees and contractors may not offer or solicit gifts or favours in order to secure preferential treatment for themselves or the Corporation.
- b. Gifts and entertainment may only be accepted or offered by a director, officer, employee or contractor in the normal exchanges common to established business relationships. An exchange of such gifts shall create no sense of obligation.
- c. All gifts, entertainment or favours, whether being offered or accepted, must comply with the Corporation's **Anti-Corruption Policy**.

9. IMPROPER PAYMENTS

- a. The Corporation has a zero tolerance approach toward bribery and corruption, including facilitation payments, regardless of whether such conduct occurs in the public/government sector or the private/business sector.
- b. Please refer to the Corporation's **Anti-Corruption Policy**.

10. ANTI-MONEY LAUNDERING

- a. The Corporation has zero tolerance toward money laundering, which is the process of disguising the proceeds of crime in order to hide its illegal origins or otherwise dealing with the proceeds of crime, which proceeds include money, real estate, intangible property and all other forms of assets.
- b. The Corporation's directors, officers, employees and contractors are strictly prohibited from engaging in any form of money-laundering and will at all times comply with all applicable anti-money laundering laws.

11. FAIR DEALING

Directors, officers, employees and contractors must always deal fairly with the Corporation's shareholders, customers, suppliers, competitors and employees. No director, officer, employee or contractor should take unfair advantage of anyone (customers, contractors and even competitors) through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

12. NON-PROFIT AND PROFESSIONAL ASSOCIATION

- a. (a) The Corporation supports its directors, officers, employees and contractors who contribute to their communities through involvement with charitable, community service and professional organizations ("**Non-Profit Organization**"). If directors, officers or employees use the Corporation's facilities for such activities (meetings, copying, etc.) they should only do so with the prior consent of the Chief Executive Officer (the "**CEO**").
- b. A director, officer, employee or contractor should ensure that if he or she speaks on behalf of a Non-Profit Organization, that he or she is seen as speaking for that organization in his or her individual capacity only, and not as a director, officer, employee, contractor or spokesperson of the Corporation advocating on behalf of the Corporation.

13. USE OF THE CORPORATION PROPERTY

No director, officer, employee or contractor should use the Corporation's property or resources for his or her own personal benefit or purposes.

14. POLITICAL PARTICIPATION

Directors, officers, employees and contractors engaging in the political process must take care to separate their personal activities from their association with the Corporation and to comply with the Corporation's *Anti-Corruption Policy*.

15. DISCLOSURE

- a. Each individual being considered for nomination as a director of the Corporation must disclose to the Governance and Compensation Committee all interest and relationships of which the director is aware of at the time of consideration which will or may give rise to a conflict of interest. If such an interest or relationship should arise while the individual is a director, the individual shall make immediate disclosure of all relevant facts to the Corporate Secretary or the Chairman of the Board.
- b. If the Board is making decisions that may provide a benefit to a director's private interests, the director shall withdraw from the deliberations altogether.
- c. Disclosure may cure a conflict of interest or allow the Corporation to appropriately avoid a potential conflict. However, a conflict may be so severe as to only be resolved by the director's resignation from one or both of the conflicting positions. Each director agrees that if the Board determines a potential conflict cannot be cured, the director will resign from the Board.

16. DISCRIMINATION

Discrimination or harassment against any individual with respect to race, religion, age, gender (including pregnancy and childbirth), marital status, family status, sexual orientation, national or ethnic origin will not be tolerated. Furthermore, any hostility toward, or resistance against, any activity specifically protected under the Code, such as expressing our good faith opposition to prohibited discrimination or harassment, or participating in making a good faith complaint of discrimination or harassment will not be tolerated.

17. WORKPLACE CONDUCT AND SAFETY

Safety and security are paramount in the Corporation's operations, and all operations will be conducted with the aim of creating a safe and secure workplace. Employees and contractors are responsible for taking all reasonable and necessary precautions to ensure their own safety as well as that of their colleagues. Directors, officers, employees and contractors must comply with all applicable safety laws and policies, procedures and standards to ensure the safety of the workplace at all times and must familiarize themselves with the emergency procedures that apply in their specific workplace. All employees and contractors are responsible for conducting the Corporation's work in a safe and responsible manner, including preventing and reporting, as soon as possible, all accidents, injuries and other incidents arising in

connection with the Corporation's operations. Please refer to the *Corporation's Health, Safety, Security, Environment and Community Relations Policy*.

18. ENVIRONMENT

All operations will be conducted with the aim of preventing adverse effects on the environment and of safeguarding life and health. All directors, officers, employees and contractors must comply with government regulations and legislation or the Corporation's policies and standards, whichever are higher, with respect to environmental matters. All employees and contractors are responsible for conducting the Corporation's work in an environmentally responsible manner, including preventing and reporting spills or other releases of toxic materials from the Corporation's operations and disposing of any such materials in a safe and approved manner. In the event of any incidents, employees and contractors will respond in a manner which protects life and health, aims to minimize impact on the environment and is in compliance with applicable laws and regulations. Please refer to the Corporation's *Health, Safety, Security, Environment and Community Relations Policy*.

19. COMMUNITY RELATIONS

All directors, officers, employees and contractors shall consider how the Corporation's operations affect its social license to operate and shall strive to minimize adverse impacts on local communities. All directors, officers, employees and contractors shall strive to achieve solutions that are mutually beneficial, relevant to the Corporation's business needs and local conditions and comply with the Corporation's values, policies, local regulations and all applicable laws. Please refer to the Corporation's *Health, Safety, Security, Environment and Community Relations Policy*.

20. HUMAN RIGHTS AND UNITED NATIONS GLOBAL COMPACT

- a. All directors, officers, employees and contractors shall adhere to the Corporation's commitment to promoting respect for internationally recognized human rights as set forth in the United Nations Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.
- b. In addition to all of the foregoing, all operations will be conducted in accordance with the UN Global Compact and the Global Compact's ten principles in the areas of human rights, labour, environment and anti-corruption, which can be found at: <https://www.unglobalcompact.org/what-is-gc/mission/principles>.
- c. All directors, officer, employees and contractors shall conduct themselves in accordance with such principles.

21. REPORTING OF INAPPROPRIATE ACTIVITY

Employees and contractors should promptly report to their supervisors, or any member of senior management, any violations or imminent violations of this Code or other Corporation policies (including potential or apparent conflicts of interest), or any other illegal or unethical behaviour at the Corporation. If there is reluctance to

make such reports to our supervisors or senior management, refer to the full ***Reporting of Inappropriate Activity Policy***. If concerns or complaints require confidentiality and anonymity is desired, confidentiality will be protected subject to applicable law. Reports can be made to the Chairman of the Board (Timothy Marchant) or to the General Counsel (Kelvin Tang) by email at governance@valeuraenergy.com.

22. NO RETALIATION

- a. The Corporation will not permit retaliation of any kind against:
 - i. individuals making good faith reports or complaints of violations of law or seeking advice regarding the same, this Code or other Corporation policies, or other illegal or unethical conduct; or
 - ii. individuals cooperating in an investigation by a governmental authority or by the Corporation, where the person cooperating has a good faith belief that a violation of law, this Code, or other Corporation policies or other illegal or unethical conduct has occurred.

23. RESPONSIBILITY

- a. Each director, officer, employee and contractor must adhere to the standards described in this Code.
- b. Any employee or contractor who knows or suspects a breach of this Code must report it to his or her immediate supervisor, General Counsel or the Chairman of the Board. An officer who knows or suspects a breach of this Code must report it to the CEO, General Counsel or the Chairman of the Board. A director who knows or suspects a breach of this Code must report it to the Board Chair.
- c. Each director officer, employee and contractor shall review this Code and sign and deliver to the Corporation a certificate confirming acknowledgment and acceptance of this Code.

24. WAIVER, EXCEPTIONS AND CHANGES

Any waiver, exception or change to this Code for the benefit of any employee, contractor or non- executive officer of the Corporation must be in writing and signed by the CEO. Any exception or change to this Code for the benefit of any director or executive officer of the Corporation must be in writing and must be granted by the Board of Directors only.

25. VIOLATION OF THIS CODE

- a. If the Board determines that a director, officer, employee or contractor has breached this Code, the Board may sanction the individual, including asking for his or her resignation. In the case where the violation by an officer, employee or contractor is a fundamental breach of their employment or contract, such breach shall constitute grounds for immediate termination of such employment or contract for cause and without notice.

- b. Each director, officer and employee agrees that when the Board determines that the individual has violated this Code and requests the individual's resignation, the individual shall resign as requested.

26. CLARIFICATION

An employee or contractor should seek clarification of this Code where necessary, from his or her immediate supervisor. An officer should seek clarification of this Code where necessary from the General Counsel. A director should seek clarification of this Code where necessary from the General Counsel or the Chairman of the Board.

¹ References to the Corporation in the Code of Conduct include the Corporation's subsidiaries, where applicable.