

# RAINY RIVER RESOURCES LTD. WHISTLEBLOWER POLICY

## General

Rainy River Resources Ltd. (the “**Company**”) requires all of its directors, officers and employees to observe high standards of professionalism and ethical conduct in maintaining the financial records of the Company and in conducting the affairs of the Company. Pursuant to its Charter and National Instrument 52-110, the Audit Committee of the Board of Directors of the Company is responsible for ensuring that a confidential and anonymous process exists whereby persons can express any concerns or complaints about the accuracy, fairness or appropriateness of any of the Company’s accounting policies or financial reports. In order to carry out its responsibilities under its Charter and National Instrument 52-110, and, in addition, to provide a system for reporting other types of alleged wrongdoing, the Audit Committee has adopted this Whistleblower Policy. This policy has been approved by the Board of Directors.

For the purposes of this Policy:

(1) all accounting, auditing or other financial matters which are the subject of a complaint or submission are referred to as an “**Accounting Irregularity**”;

(2) “**Employee**” means and includes any permanent, contract, secondment and temporary agency employee who is on long term assignment with the Company, and any consultant and contractor to the Company;

(3) “**Wrongdoings**” means and includes any unlawful acts (whether criminal or civil) or otherwise improper behaviour and may include:

- an Accounting Irregularity;
- Breach of or failure to implement or comply with any approved Company policy;
- Knowingly breaching federal or provincial laws or regulations;
- Unprofessional conduct or conduct that is below recognized, established standards of business practice;
- Dangerous practice likely to cause physical harm and/or damage to any person and/or property;
- Failure to rectify or take reasonable steps to report a matter likely to give rise to a significant and avoidable cost or loss to the Company;
- Abuse of power or authority; and/ or
- Unfair discrimination in the course of employment or provision of services.

## **No Retaliation**

This Whistleblower Policy is intended to encourage and enable Employees and others to raise serious concerns within the Company rather than remaining silent or seeking resolution outside the Company. Any Employee who makes a disclosure or reports a concern under this Policy shall not suffer harassment, retaliation or adverse employment consequence provided that the Employee:

- Discloses the information in good faith;
- Believes it to be substantially true;
- Does not act maliciously or make knowingly false allegations; and
- Does not seek any personal or financial gain.

## **Reporting Violations**

It is the responsibility of all directors, officers and Employees to report all suspected Accounting Irregularities or other Wrongdoings in accordance with this Whistleblower Policy. The Company maintains an open door policy and suggests that Employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an Employee's supervisor is in the best position to address an area of concern. An Employee's supervisor may be more knowledgeable about the issue and will appreciate being brought into the process. It is the supervisor's responsibility to help you to solve the problem.

However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with a member of the Audit Committee or anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected Accounting Irregularities and other Wrongdoings to the Chair of the Audit Committee, who has specific responsibility to investigate all reported Accounting Irregularities and other Wrongdoings.

For suspected fraud or securities law violations, or when you are not satisfied or are uncomfortable with following the Company's open door policy, individuals should contact a member of the Company's Audit Committee directly.

**If you prefer to report any suspected Accounting Irregularities or other Wrongdoings anonymously, including concerns regarding accounting, internal accounting controls, and other auditing matters, or if any of the persons to whom you have reported these circumstances has not, in your view, responded appropriately, the Company has established a Compliance Hotline to assist you. The Compliance Hotline is answered by an outside service provider and is available to all Employees. The Contact information is as follows:**

## **Whistleblower Security**

**North America Call: 1-866-921-6714**

**Email: [rainyriverresources@whistleblowersecurity.com](mailto:rainyriverresources@whistleblowersecurity.com)**

**Website: [www.whistleblowersecurity.com](http://www.whistleblowersecurity.com)**

### **Investigations of Complaints respecting Accounting Irregularities and Wrongdoings**

The Company's Audit Committee is responsible for investigating and resolving all reported complaints and allegations concerning Accounting Irregularities and other Wrongdoings. The Chair of the Audit Committee is responsible for receiving reports of other Wrongdoings and directing them to such parties as he deems appropriate for investigation. The Chair of the Audit Committee is Mr. Dale Peniuk. The Audit Committee may retain independent legal counsel, accountants or others to assist in its investigations.

### **Accounting and Auditing Matters**

Pursuant to its Charter, the Audit Committee is responsible for addressing all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Chief Financial Officer is required to immediately notify the Audit Committee of any complaint of which he or she is aware and to work with the Committee until the matter is resolved.

### **Acting in Good Faith**

Anyone filing a complaint concerning a suspected Accounting Irregularity or other Wrongdoing must be acting in good faith and have reasonable grounds for believing the information disclosed indicates an Accounting Irregularity or other Wrongdoing. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

### **Confidentiality**

Complaints or submissions concerning a suspected Accounting Irregularity or other Wrongdoing may be submitted on a confidential basis by the complainant or may be submitted anonymously. All complaints or submissions will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### **Handling of Reported Complaints**

The Chair of the Audit Committee will notify the sender and acknowledge receipt of the reported suspected Accounting Irregularity or other Wrongdoing within five business days. All reports will be promptly investigated and appropriate corrective action will be taken, if warranted by the investigation.

The Company shall retain records of complaints for a period of not less than seven years as a separate part of the records of the Audit Committee.

Approved by the Board of Directors on May 10, 2011.