



## CODE OF CONDUCT



November 2016

# From the Office of the Executive Chairman and Chief Executive Officer

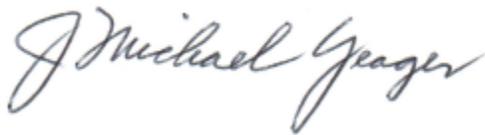
Dear Employees,

Our vision for the Company is to become an investment grade, US focused, growing exploration and production company with quality assets in the best North American acreage. Staying true to our values and the principles set out in our Code of Conduct will provide us the essential foundation for growth and for achieving our vision.

This is the most important document we will have in our Company. Our Code of Conduct is being put in place to ensure we all understand these fundamental principles and what the Company expects of us. Please read it carefully. As each of us strive to reach our individual goals which support the broader Company vision, we must ensure that we conduct the Company's business with integrity at all times.

In pursuing our vision on behalf of the shareholders, we will tolerate nothing less than honesty, fair dealing and sound business ethics. I believe that by living up to these standards set out in our Code of Conduct, we are best positioned for long term success.

Our fellow employees, shareholders, and stakeholders are counting on us.

A handwritten signature in black ink that reads "J. Michael Yeager". The signature is written in a cursive, flowing style.

Executive Chairman & Chief Executive Officer

# Table of Contents

Purpose of Our Code .....	5
Our Values .....	6
Our Commitment to Each Other .....	6
Always Health & Safety First .....	7
Equal Employment Opportunity .....	7
Harassment-Free Workplace .....	7
Violence-Free Workplace .....	7
Drug and Alcohol-Free Workplace .....	7
Company Assets and Information .....	8
Ownership of Assets .....	8
Use of Assets .....	8
Computer, Internet, Email and Social Media .....	8
Respect for Copyrights .....	8
Confidential and Proprietary Information .....	8
Business Opportunities .....	9
Personal Information .....	9
Conflicts of Interest .....	9
Relatives .....	9
Outside Employment .....	10
Outside Activities .....	10
Interests in other Businesses .....	10
Relationship Conflicts .....	11
Vendor Relationships .....	11
Family Relationships .....	11
Professional Relationships .....	11
Gifts .....	12
Entertainment and Travel .....	12
Data Privacy and Disclosures .....	12
Employee Data Privacy .....	12
Records Retention and Accuracy .....	12

Reporting Accounting Activity .....	13
Our Compliance with Laws.....	13
Legal and Regulatory Compliance .....	13
Insider Trading .....	13
Anti-Corruption and Anti-Bribery .....	14
Anti-trust/Competition Law.....	14
Political Involvement Activity, and Contributions .....	14
Obstruction of Justice .....	15
Reporting Responsibility .....	15
Other Matters .....	15
No Retaliation.....	15
Enforcement Approach.....	16
Waivers .....	16

# Purpose of Our Code

The purpose of our Code of Conduct (our “Code”) is to convey the basic principles of ethical business conduct expected of all our employees and those who represent Freedom Oil and Gas Limited (the “Company”). The good name of the Company depends on the way it conducts its business and the way it is perceived by the public and regulators. Our Code of Conduct emphasizes certain values each employee should embody and embrace.

All employees are and will be held responsible for adhering to the elements as well as the spirit and intent of our Code of Conduct. Unethical actions, and the appearance of unethical actions, are not acceptable.

Employees are expected to work safely, honestly, and treat others with respect. The Company, its employees and all parties with whom it transacts business are expected to comply with all laws, rules and regulations applicable to the Company's activities. In the conduct of business, each employee must adhere to basic ethical standards, including honesty (i.e. truthful dealing with everyone), fairness (i.e. treating someone as you would expect to be treated), integrity and respect. No employee should take advantage of a party through manipulation, concealment, abuse of confidential information, misrepresentation of material facts or any other unfair practice. No employee should be, or appear to be subject to influences, interests or relationships that conflict with the best interests of the Company.

Our Code of Conduct is organized into eight sections:

1. Our Values
2. Our Commitment to Each Other
3. Company Assets and Information
4. Conflicts of Interests
5. Relationship Conflicts
6. Data Privacy and Disclosures
7. Our Compliance with Laws, and
8. Reporting Responsibilities and Other Matters

Any questions about our Code of Conduct should be directed to the employee's immediate Supervisor, Manager, Human Resources ([hr@freedomog.com](mailto:hr@freedomog.com)), or the legal department. Failure to comply with any provision of our Code of Conduct subjects such employee to disciplinary action, including termination. Should any employee become aware that another employee has violated our Code of Conduct, he/she must report such violation to his/her Supervisor, Human Resources, or the legal department.

# Our Values

The following values underpin the way we intend to work. Each employee should know that these values will be the most important criteria we look for in our daily interactions.

**Working Safely** - We are all responsible for each other's safety and compliance with our safety policies each and every day.

**Lawfulness** - We are a good corporate citizen and abide by all applicable laws. The Company, its employees and all parties with whom the Company transacts business, are expected to comply with all laws, rules and regulations applicable to the Company's activities.

**Functional Excellence** – Our desired work results can only be achieved with employees who are both excellent in their areas of functional accountability and consistently deliver the required results.

**Collaboration** – Our way of working is only optimized when we collaborate fully with each other to solve our problems and should be based on a loyalty to the Company's needs, and not to our own agenda.

**Personal Accountability** – In order to build a vibrant growing company, each person must play a role, and meet their agreed contributions to the team.

**Discipline** – Excellent work requires certain key steps to be taken, paying appropriate attention to details. We do not take shortcuts on those key steps, no matter how long it takes or any other potential influences.

**Transparency & Full Disclosure** – Information belongs to the Company and not to individuals. We cannot solve problems or attack opportunities that we do not know about.

**Dignity and Respect** – We treat ourselves, others, and our work environment with dignity and respect at all times. We care about the career development and fulfillment of each member of our team.

# Our Commitment to Each Other

It is our individual responsibility to contribute to a safe work environment and to ensure everyone is treated fairly and honestly. In order to achieve this commitment, we are all responsible for compliance with applicable laws and regulations, including those relating to safety and fair treatment of our employees, our customers and the communities in which we operate. Our commitment and individual responsibility includes caring for the environment.

### **Always Health & Safety First**

In order to achieve a safe workplace, each and every employee must proactively participate in ensuring his/her own safety and that of his/her colleagues. The Company will take all reasonable steps to maintain a safe workplace including training and providing safe work practices in its policies.

If you see or hear anything that is or might be unsafe, stop the work, notify and seek input from others who can help appropriately assess the situation before work continues. We aim to prevent all workplace injury before it happens, and in the event that it does occur, we must learn from it and prevent it from happening in the future. Employees are expected to promptly report any workplace injuries. Failure to report a workplace injury is a violation of our Code of Conduct.

To support this commitment anyone can stop work that they consider unsafe.

### **Equal Employment Opportunity**

Equal opportunity means that our individual performance and our behaviors are the sole basis for our evaluation, not our personal relationships. All employees and their status with the Company should be based upon the value he/she creates for the Company and its shareholders, and how the employee goes about creating such value as a good team member.

The Company provides equal opportunity to all employees and applicants for employment without regard to race, color, gender, sex, national origin, genetic information, marital status, pregnancy, age, disability, religion, veteran status, sexual orientation, or any other status prohibited by law. This commitment applies to all terms and conditions of employment, including hiring, placement, promotion, demotion, termination, transfer, leave of absence, compensation, and training.

### **Harassment-Free Workplace**

The Company is committed to ensuring a work environment free from all forms of discrimination and harassment. All employees should be treated with dignity and respect, which includes having a work environment free of personally offensive behavior and statements, even when intending to be humorous.

### **Violence-Free Workplace**

The Company prohibits its employees from exhibiting threatening or violent behavior toward other employees and those outside the Company with whom they have business dealings. Any acts or threats of violence will not be tolerated. The workplace will be weapons free.

### **Drug and Alcohol-Free Workplace**

No one is allowed to work on the Company's premises under the influence of alcohol or illegal drugs, and even prescribed drugs which impair the person's ability to work safely and/or respond appropriately under emergency situations.

# Company Assets and Information

Any assets, or business information the Company acquires and produces, in any form, constitutes a corporate asset. It is not appropriate to use Company resources, information or assets for personal gain.

## **Ownership of Assets**

The ownership, usage, dissemination, storage, or formulation of information, as well as all physical and computer systems used to process, transmit, or store data, belonging to the Company is the responsibility of every user. Each employee has the duty and responsibility to guard against unauthorized use or disclosure of Company assets or information. No employee may divert to his/her personal benefit any invention, know-how, technology, proprietary business information, or computer program that the employee developed or learned of in the course of his/her employment and that the employee has reason to know may be useful to the Company in its ongoing business.

## **Use of Assets**

The use of Company assets and information are for Company business only. We must protect all Company assets from theft, waste, and abuse. This includes employee time, tools, equipment, office supplies, fuel, cash, financial resources, computers, and internet usage.

## **Computer, Internet, Email and Social Media**

Specific to use of Company computers, internet and email, you may use these assets for very limited personal use. However, you should have no expectation of privacy. The Company will have surveillance on its system to track what is being viewed.

Even if your use of the Company's system is for limited personal use, you may not use Company resources for anything that is considered inappropriate under our Code of Conduct or other policies of the Company. This includes receiving, sending or viewing-offensive material, such as pornography, gore, discriminatory humor, degrading imagery, salacious material, or other inappropriate material.

## **Respect for Copyrights**

In no case may you download or use information in any way that violates copyright law, nor may you use the Company resources for any illegal activity of any kind. Please check with the legal department if you are uncertain.

## **Confidential and Proprietary Information**

Employees are expected to maintain the confidentiality of information entrusted to them by the Company and any other confidential, proprietary, (i.e. trade secrets), privileged or other non-public information that comes to them, from whatever source, in the course of their work for the Company, except when disclosure is authorized or legally mandated. Confidential information includes:

- Information about the Company, including information concerning reserves, geological

prospects and ideas, technical information, pricing, production, environmental conditions, and services and information about contracts, finances, operations, customers, business or transportation plans, strategies, measures, metrics, legal proceedings, unreported or anticipated earnings, and acquisitions or divestitures;

- Information received from or relating to third parties with whom the Company has or is contemplating a relationship, such as customers or suppliers; and
- Communications that are privileged for any reason, including information that is subject to the attorney-client privilege or protected by the work-product doctrine.

Employees may not use confidential information for the benefit of anyone other than the Company. Employees are expected to use reasonable prudence and care when dealing with confidential information in order to avoid inadvertent disclosures.

### **Business Opportunities**

Each employee is responsible for making the Company aware of any business opportunities for which the Company may have interest that he/she becomes aware. Employees may not take advantage of or divert to others any business or financial opportunity in which they could reasonably anticipate the Company might be interested. Only with written approval from the Chief Executive Officer may an individual pursue an opportunity for his/her own personal gain.

### **Personal Information**

Employees should not keep personal information on Company computers or assets. Any personal information stored on Company computers becomes Company property. Only Company related data and information should be stored on Company computers.

## **Conflicts of Interest**

A conflict of interest is a conflict between the private interests of an employee and his/her responsibilities as an employee of the Company. All such conflicts should be avoided. No employee shall place himself/herself in a position that would have the appearance of being, or be construed to be, in conflict with the interests of the Company.

### **Relatives**

Specific to conflict of interest, a "relative" shall include parents, spouses, domestic partners, sons, daughters, step-sons, step-daughters, brothers, step-brothers, sisters, step-sisters, aunts, uncles, nephews, nieces, cousins, grandchildren, grandparents, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, brothers-in-law and sisters-in-law.

Full disclosure of all facts must be made to the Company in advance by reporting the conflict, or potential conflict to the Company. All conflicts, potential conflicts, and situations likely to be perceived as a conflict shall be reported promptly to the Chief Executive Officer.

### **Outside Employment**

A full-time employee of the Company cannot accept employment at another company unless such employment is approved in writing by the Chief Executive Officer and meets the following criteria:

- It does not require you to use any Company resources, assets, or information;
- It does not require any of your time during Company working hours;
- It is not in competition with the Company; and
- It does not provide services or products to the Company.

### **Outside Activities**

- An employee may not acquire any direct or indirect interest in land, mineral interests or other property which is in competition with the Company, whether as purchaser, lessee or otherwise, without the prior written consent of the Chief Executive Officer.
- Involvement in an outside civic, social or business enterprise that may require attention during business hours and prevent full-time devotion to duty is prohibited. Even if the outside involvement does not affect full-time performance of duties, legal considerations that relate to service by employees of the Company as directors or officers of another company or organization may exist. The matter must be first disclosed to and approved by the Company prior to acceptance of an invitation to serve as a director or officer of any other company or outside organization. This includes family-related businesses.
- Involvement in civic and social activities that may require attention during business hours is prohibited unless approved in writing by the Chief Executive Officer.
- Reasonable commitments to social welfare, health, education or religious organizations need not be reported, and will be permitted by the Company provided they do not interfere with Company work time.

### **Interests in other Businesses**

Employees and their relatives should avoid acquiring any direct or indirect financial interest in:

- Any transaction where the Company is or may become a party;
- Any property or company that the Company may acquire or invest in; or
- Any entity with which the Company is or may be doing business including all services the Company uses.

Employees (and their relatives) are not permitted to take a financial interest in a private oil and gas company (including stock, note, equity, or creditor interest). Further, an employee may not take employment or other affiliation, or other relationship that provides remuneration.

Employees may invest in publicly traded oil and gas companies except when any of the following circumstances exist:

- (i) The organization is a direct competitor of the Company in geographic ownership and strategy, or
- (ii) Knowledge of the opportunity was based on (a) work performed by the Company or (b) potential interest expressed by the Company in making an investment in or acquisition of the organization.

Each of the foregoing circumstances creates a “Trigger for Disclosure” under our Code of Conduct. In the event of any occurrence of a Trigger for Disclosure, the employee must promptly notify the Chief Executive Officer prior to making the investment, or immediately thereafter if the interest or position results from inheritance, succession or otherwise.

If any employee currently has a financial interest or ownership as set forth above or acquires such interest or position by inheritance, succession, or otherwise, then the circumstances should be disclosed promptly to the Chief Executive Officer for consideration.

## Relationship Conflicts

We ensure our relationships inside and outside of the Company do not create a conflict of interest or a perceived conflict of interest. As a general rule, employees and their relatives may not have a significant financial ownership in a customer, supplier, contractor, or competitor of the Company.

### **Vendor Relationships**

Vendors must be selected based on the merit of their price, quality, and service relative to other potential vendors. You must not choose any vendor based upon your personal relationship or private dealings with the vendor or as a result of a relationship with a relative. You must disclose the fact that you have a personal or relative relationship with a potential vendor during the selection process. In no case should you choose or support a vendor selection for which you or a relative has a financial interest.

Employees must disclose if a relative owns or acquires any financial interest (including any indirect interest) in a company that the Company uses as a supplier or vendor. This also applies to situations where the employee or a relative has a financial interest in a supplier or vendor, and the employee is aware that we are considering engaging that company as a supplier or vendor.

### **Family Relationships**

If you have a relative who wants to work for the Company, he/she must disclose the relationship during the hiring process. Additionally, the employee should disclose any family relationship with a candidate before hiring takes place. No employee may use his/her position to influence the hiring decision.

### **Professional Relationships**

While employees and supervisors may socialize outside of work from time to time, supervisors must take special care that they do not exclude anyone on their team from the opportunity to advance the working relationship through social interaction. Thus, leaders should not have personal relationships with any employees which go beyond the level of relationship he/she would have with all employees on his/her team. This is important to avoid favoritism, or the appearance of favoritism. Likewise, employees who are not leaders but handle sensitive or confidential Company information must also follow the standard expected of the leaders of the Company.

### **Gifts**

While industry practice may be to accept gifts of nominal value, we have chosen to have a higher standard. We accept no gifts, regardless of value unless approved in writing by the Chief Executive Officer. Any unsolicited gifts not returned should be turned in to the Human Resources Manager.

Vendors who give presentations or training to employees of the Company may not give gifts, but may give items which are meant as educational, or for the advancement of our industry knowledge.

### **Entertainment and Travel**

We accept no entertainment from vendors. This applies to meals such as lunch or dinner, as well as tickets to events. We may occasionally attend events which are intended to advance our industry knowledge or to network and this participation should be approved beforehand. No travel should be accepted from a supplier without prior written approval from the Chief Executive Officer.

## **Data Privacy and Disclosures**

We take our obligation to protect the privacy of individuals' unique personal data, including employees, business contacts, and job applicants of the Company very seriously.

### **Employee Data Privacy**

The Company is committed to complying with all applicable laws regarding the collection, protection, and dissemination of personal identification information collected from employees. The Company will limit the personal information it requires employees to provide to the information that is necessary for the Company to carry out its business in a safe and effective manner.

Employees are prohibited from accessing personal data unless authorized in advance. Only people with a "need to know" because of their position will be given access to personal data.

Personal data includes, but is not limited to, information such as ethnicity, medical data, social security numbers, compensation, home addresses, contact information, and other information linked to an identifiable person.

### **Records Retention and Accuracy**

The Company is committed to the accurate management and retention of its business records to comply with all legal and business requirements.

Accurate and reliable preparation and maintenance of all the Company records is of critical importance to properly manage decisions and fulfillment of the Company's financial, legal, and reporting obligations. All transactions must be properly documented and accounted for on the books and records of the Company. No off-book funds or transactions are permitted.

External data reporting should be verified as accurate prior to submitting. No tolerance is allowed for falsifying or not verifying regulatory, tax or other compliance data.

Diligence in accurately preparing and maintaining the Company's financial records enables the Company to fulfill its financial reporting obligations and to provide shareholders with information that is complete, accurate, and understandable. All reports, vouchers, bills, invoices, payroll and service records, business measurement and performance records, and other essential data are to be prepared and maintained with care and honesty. Such data must not be falsified or altered to conceal or distort assets, liabilities, revenues, expenses, or performance measures.

Employees are responsible for safeguarding the Company assets and properties under their control and for providing an auditable record of transactions relating to the use or disposition of such assets and properties.

Records relevant or related to an ongoing or anticipated legal proceeding, government investigation, or tax audit should not be destroyed, even if scheduled for destruction, until the legal department advises such destruction is permissible.

### **Reporting Accounting Activity**

Employees with concerns regarding questionable accounting or auditing matters should speak to the Chief Financial Officer, or Chief Executive Officer. If that path is not comfortable, disclosure to the Human Resources Manager or the legal department is acceptable.

Employees may either provide their names when reporting complaints or complaints may be reported anonymously. Employees are encouraged to provide their names to facilitate the investigation of complaints and follow-up, but anonymous complaints will be accepted.

## **Our Compliance with Laws**

### **Legal and Regulatory Compliance**

The Company's operations are subject to laws and regulation by various authorities, and all officers and employees must seek to comply with all applicable laws and regulations. In conducting business with the federal, state, or local government, the Company will endeavor to assure that all requests for payment are lawful and that the information supporting the request is truthful. Employees are expected to consult with their supervisors with respect to compliance questions, and officers are expected to consult with the Company's legal department where appropriate concerning such matters.

### **Insider Trading**

Trading in securities of the Company (including within any 401(k) plan or IRA) or other entity, or tipping others who may engage in such trading, while the employee has material non-public information about the Company, violates our Code of Conduct, and is illegal.

In addition to discipline by the Company, such trading can result in civil penalties of up to three times the profit made or loss avoided on the trade, and/or criminal penalties including fines and imprisonment.

“Material” information for this purpose is any information that could affect a decision to buy or sell securities. Examples include: proposed major acquisitions or divestitures, changes in current or anticipated earnings or dividends, major changes in contractual arrangements, or other significant business developments. Information is considered “non-public” if it has not been distributed in a manner that makes it available to investors generally.

### **Anti-Corruption and Anti-Bribery**

The Company will not tolerate its employees or any entity or person authorized to act on its behalf engaging in the offering, promising or payment of anything of value, intended to illegally influence any governmental official, political party, or any other person in the United States to obtain or retain business or a business advantage, including beneficial treatment for any business purpose.

It is unlawful to bribe local or foreign government officials, including government employees and political parties. Therefore, Company employees and any entity or person authorized to act on its behalf cannot offer, pay, or promise to pay money or anything of value to a foreign official for the following purposes:

- Obtaining or retaining business;
- Influencing any decision of a foreign official; or
- Securing any other improper advantage.

The legal definition of "foreign official" is very broad and includes employees of government owned or controlled businesses in a foreign country and members of political parties. “Foreign Official” is defined as any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization. Because the technical rules associated with payments to foreign government officials are very complicated and prohibitive, Company employees may not make any payment (including gifts, entertainment or travel arrangements) to foreign government officials or offer to pay anything of value to foreign officials without pre-approval in writing from the Chief Executive Officer.

### **Anti-trust/Competition Law**

Any commercial transaction with a competitor, government, or vendor should be done on an arm’s length basis. Collusion on terms or price are not allowed; thereby, employees are prohibited from sharing any competitive information with competitors, suppliers and vendors.

### **Political Involvement Activity, and Contributions**

While acting as employees of the Company, employees may not provide gifts or entertainment to government officials, including (1) House of Representative or Senate members and their staffs and immediate family members, (2) Executive Branch political appointees, their family members, and other designees specified by the appointee, (3) members of the federal or state judiciary, and (4) federal agency, active military, and state and local government personnel. This gift prohibition does not restrict any employee's rights to participate, as a private citizen, in the political process and/or make campaign contributions as a private citizen.

The Company may make its position known, within lawful limitations, on issues affecting the Company, its employees, shareholders, and the communities in which the Company operates. Federal law and state laws prohibit or limit companies from contributing to political candidates for elective offices. Federal and foreign laws may similarly prohibit corporate contributions in foreign countries. No direct or indirect use of Company funds shall be made for any illegal political purpose, no matter how small the amount and regardless of whether the payment is thought necessary to promote a legitimate activity of the Company. Any use of Company assets for political reasons must be approved by the Chief Executive Officer.

### **Obstruction of Justice**

Employees may not testify falsely under oath or obstruct justice by refusing to testify, making false statements (for example, in interviews or in responding to subpoenas or interrogatories) or destroying, altering or falsifying documents or evidence related to legal proceedings (for example, in litigation and regulatory hearings) and government investigations.

## Reporting Responsibility

Every employee is responsible for immediately reporting any situation that is, or that may be, in conflict with our Code of Conduct whether or not the employee is actually involved in the situation. If it is determined that you were aware or should have been aware of inappropriate behavior but did not report it, you may be subject to disciplinary action, up to and including termination.

Please speak to your immediate Supervisor, Human Resources (or email at [hr@freedomog.com](mailto:hr@freedomog.com)), or the legal department if you are ever in doubt about whether a situation meets the standards set out in our Code of Conduct.

We take our Code of Conduct very seriously and the Company will take appropriate steps to investigate all reports regarding non-compliance or possible non-compliance and will take appropriate action. In the event you are approached by the Company for information in a confidential investigation, you are expected to fully cooperate and keep such inquiry confidential. Failure to cooperate, provide truthful answers, and maintain the confidentiality of such inquiry will be a violation of our Code of Conduct and may result in discipline including termination.

To ensure continued understanding of expectations, employees will be required to review our Code of Conduct annually.

## Other Matters

### **No Retaliation**

At times, something may appear inappropriate or possibly inappropriate but it may not always mean that once further information is available that it will in fact be determined to be inappropriate. Nevertheless, the Company does not tolerate retaliation for reporting potential violations of our Code which are made in good faith or for participating in an internal or government investigation

of possible misconduct. Likewise, the Company will not tolerate claims which are made for the purpose of misleading it from the truth, harming its business or disparaging employees, leaders, or the Company with unfounded accusations.

### **Enforcement Approach**

The Company will impose appropriate discipline for violations of our Code, up to and including termination and loss of benefits or rights.

### **Waivers**

Violations of law may subject employees and the Company to civil and criminal penalties. Waivers to any requirement of our Code of Conduct will only be granted in exceptional circumstances following appropriate review by the Chief Executive Officer and in some cases Board or Audit Committee. In certain circumstances, the Company may be required to make disclosures to its shareholders.