



**TANZANIAN ROYALTY EXPLORATION CORPORATION  
(the “Corporation”)**

**WHISTLE BLOWER POLICY  
AND PROCEDURES  
(January 2014)**

**1.0 Purpose**

The proper and effective functioning of the Corporation’s accounting and control systems and the quality of independence of the external audit process are the cornerstones of our financial reporting and capital markets.

The purpose of this policy is to provide a confidential or anonymous reporting process for the Corporation’s employees and others to report concerns regarding accounting, internal accounting controls and auditing matters as well as serious violations of the Corporation’s policies, fraud and serious misconduct directly to the Audit and Compensation Committee designate and the Audit and Compensation Committee (“Audit and Compensation Committee”).

The process outlined in this policy is intended to supplement other processes established by the Corporation to report concerns outlined in the Code of Ethics and Business Conduct policy, by providing an anonymous confidential means for employees and others to make reports in the event that they are not comfortable making their report to their supervisors or senior management.

This policy establishes the standards and procedures regarding the receipt, retention and treatment of complaints to ensure the handling of all complaints mentioned above complies with management’s and the Audit and Compensation Committee’s objectives.

**2.0 Scope**

The policy applies to all employees of the Corporation and its direct and indirect subsidiaries. Third parties are encouraged to report concerns as well.

### **3.0 Procedures for making complaints**

An employee or external third party may report directly to the Audit and Compensation Committee designate confidentially or anonymously any complaint or concern. The Corporation has established a confidential email address and telephone number to receive reports of complaints. The identity of the complainant will remain anonymous, unless the complainant expressly directs otherwise. The complaint will be forwarded immediately to the Audit and Compensation Committee for investigation. Complaints or concerns can be made orally or in writing using the following methods:

1. Use the Corporation's website [www.tanzanianroyaltyexploration.com](http://www.tanzanianroyaltyexploration.com) under Corporate Information / Whistle-Blower Policy and Procedures. An email link is provided in order to make a confidential submission.
2. Individuals may contact the Audit and Compensation Committee designate directly using the following methods:
  - a. By mail to: CONFIDENTIAL SUBMISSION  
Dr. William Harvey, Audit and Compensation Committee Designate  
218 W. Hyerdale Dr.  
Goshen, CT 06756
  - b. By email to: [confidentialsubmissions@tanzanianroyalty.com](mailto:confidentialsubmissions@tanzanianroyalty.com)
  - c. By telephone to: +(860) 248-9343

### **4.0 Procedures for receiving complaints or concerns**

- 4.1 The Audit and Compensation Committee has delegated the responsibilities of receiving complaints or concerns under this policy whether openly, confidentially or anonymously to the Audit and Compensation Committee designate.
- 4.2 The Audit and Compensation Committee designate will maintain a Whistle Blower Log to record each complaint or concern and the date of the complaint received.

### **5.0 Responsibilities of Audit and Compensation Committee Designate**

- 5.1 The Audit and Compensation Committee designate has also been delegated the authority to investigate the complaint or concern. If the complaint or concern is a serious matter with material impact or involving Senior Management, it shall be reported to the Audit and Compensation Committee within 24 hours from the time it is received. The Audit and Compensation Committee designate shall submit the Whistle Blower Log of all complaints or concerns in writing to the Audit and Compensation Committee on a quarterly basis. The report should

include a log of all complaints with date received, issues, status of investigations and conclusions.

- 5.2 The Audit and Compensation Committee designate may consult with any member of management or employee whom they believe would have appropriate expertise or information to assist in determining who should investigate the complaint or concern.
- 5.3 If the Audit and Compensation Committee determines that it should investigate the complaint or concern, the Audit and Compensation Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Audit and Compensation Committee shall be free in its discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

## **6.0 Responsibilities of Management**

- 6.1 Any complaint or concern, known or suspected incident of fraud and serious misconduct that are reported directly to management, whether openly, confidentially or anonymously, shall be promptly reported to the Audit and Compensation Committee designate, who in turn report directly to the Audit and Compensation Committee.
- 6.2 Management is responsible to ensure all employees, agents, contractors and others are aware of the Whistle Blower Policy and Procedures.

## **7.0 Responsibilities of Audit and Compensation Committee with respect to specified complaints**

- 7.1 The Audit and Compensation Committee shall receive, retain, investigate and act on complaints and concerns of employees regarding questionable accounting, internal accounting controls and auditing matters, including those regarding the circumvention or attempted circumvention of internal accounting controls or that would otherwise constitute a violation of the Corporation's accounting policies.

## **8.0 Protection of Whistle Blowers**

- 8.1 Consistent with the policies of the Corporation, the Audit and Compensation Committee shall not retaliate, and shall not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who, in good faith, makes a complaint, raises a concern or provides assistance to the Audit and Compensation Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating a complaint or concern. The Audit and Compensation Committee shall not reveal the identity of any person who makes a good faith complaint or concern and who asks that his or her identity as the person who made such

complaint or concern remain confidential and shall not make any effort, or tolerate any effort made by any other person or group, to ascertain the identity of any person who makes a good faith complaint or concern anonymously.

- 8.2 Nothing herein shall be construed to protect a person from the consequences of their own wrongdoing however a person's self disclosure of wrongdoing that is not independently discovered through investigation shall be taken into account when considering the consequences to such person.

## **9.0 Records**

The Audit and Compensation Committee shall retain all records relating to any complaint or concern and to the investigation of any such complaint or concern for a period of seven (7) years.