



SECURITIES TRADING POLICY

For directors, officers, employees, consultants, agents and advisers of

MONARCH MINING CORPORATION
and its subsidiaries

March 9, 2021

Policy of Monarch Mining Corporation and its subsidiaries, adopted by the Board of Directors of Monarch Mining Corporation:

Securities Trading Policy

Historical evolution of the Policy:

Adopted on:	March 9, 2021
In force on:	March 9, 2021
Modified on:	

The use of the masculine gender in referring to individuals in this document is intended to lighten the text only and refers to both women and men. Unless the context in which a word is used clearly indicates the opposite, words written in the singular also include the plural and vice versa.

SECURITIES TRADING POLICY

1. PURPOSE OF THE POLICY

Monarch Mining Corporation (“**Monarch**” or the “**Corporation**”) considers that it is important to establish guidelines for trading in the common shares or other securities of Monarch (the “**Securities of Monarch**”).

This policy sets out the guidelines that directors, officers, employees, consultants, agents and advisers (collectively, “**Designated Insiders**”) of Monarch and of its subsidiaries must follow with respect to transactions in Securities of Monarch.

The guidelines are intended to minimize the risk of violations of securities legislation applicable to insider trading. This policy is in addition to said legislation, it does not replace it.

2. GENERAL

Under securities legislation, it is generally forbidden for anyone having a close or special relationship with Monarch or any of its subsidiaries to trade in Securities of Monarch when such person is aware of material non-public information about the business of the Corporation. This legislation also prohibits the disclosure of material non-public information to anyone (including family and friends), except when necessary in the ordinary course of business.

At the appropriate time, the Corporation publicly discloses important information through news release or otherwise. However, before the information is made public, some individuals, including directors, officers or employees, may be aware of material non-public information and, in such circumstances, must exercise caution and good judgement in handling such material non-public information to avoid legal and ethical violations.

A material non-public information about the Corporation’s business means (i) any fact, event, circumstances or change in the business, activities or property of the Corporation that is not known to the public and that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Securities of Monarch; as well as (ii) any information that would reasonably be expected to have a significant influence on any reasonable investor’s decision to buy, sell or hold Securities of Monarch. Important information can be positive or negative.

A material non-public information about the business of the Corporation includes, but is not limited to, non-public information regarding:

- a. acquisition or disposition of material assets;
- b. mineral discoveries;
- c. agreements or arrangements for take-overs, combination transactions, mergers or reorganizations;

- d. agreements or arrangements for joint ventures;
- e. changes in the capital structure, including share or debenture issues, stock splits or stock dividends;
- f. changes in share ownership that may affect control of the Corporation;
- g. borrowing of a significant amount;
- h. public or private sale of common shares or other securities of Monarch;
- i. significant changes in the Corporation's management or board of directors;
- j. significant litigation;
- k. major labour disputes or disputes with major contractors, suppliers, or customers; and
- l. events of significant default under financing or other agreements.

These examples are just illustrations of material information. Many other types of information can be considered material depending on the circumstances.

3. POLICY AND GUIDELINES

3.1 Policy of the Corporation

It is the policy of the Corporation that no member of the Board, officer, employee, consultant, agent or adviser of the Corporation who has material non-public information concerning the business of the Corporation, and any related person (as defined below), (i) to buy or sell Securities of Monarch; (ii) to take any other action to take advantage of this information; and (iii) to convey this information to others.

This policy also applies to the securities of any other entity with publicly traded securities, including customers, suppliers and other companies with which the Corporation does business or could do business, when in possession of material non-public information concerning the entity.

For the purposes of this policy, a "related person" includes your spouse, minor children and any other person living in your household, trusts of which you are trustee and successions of which you are a liquidator.

3.2 Guidelines and black-outs

To achieve the objective of this policy, the Corporation establishes the following guidelines with respect to the trading in Securities of Monarch:

- a. **Possession of material non-public information.** Any person in possession of material non-public information concerning the business of the Corporation is prohibited from buying, selling or

otherwise trading in Securities of Monarch for a period beginning on the date on which he becomes aware of the material non-public information and ends on the close of business on the trading day following the public disclosure of the information. This blackout period also applies to related persons. Trading day means a day on which the Toronto Stock Exchange is open for trading in securities.

- b. **Public disclosure of material information.** The Designated Insiders must not buy, sell or otherwise trade in Securities of Monarch, before the ending of two (2) full trading days following the public disclosure of any material information.
- c. **Short selling.** The Designated Insiders must not short sell Securities of Monarch.
- d. **Derivative instruments.** The Designated Insiders must not use any strategy relating to or use derivative instruments in respect of Securities of Monarch.
- e. **Directors and Officers - Release of Financial Information.** The directors and officers of the Corporation shall not buy, sell or otherwise trade in the Securities of Monarch for the period commencing on the seventh calendar day preceding the anticipated release of the Corporation's financial results and ending two (2) full trading days following the issuance of a news release disclosing the financial results;
- f. **Board and committee members - Urgent Board Meetings.** Urgent board of directors' meetings are not scheduled in advance and are usually called with less than seven days' notice. Therefore, when an urgent board of directors' meeting is called, the directors and officers of the Corporation shall not buy, sell or otherwise trade in the Securities of Monarch for the period commencing at the time of receipt by the directors of the notice of meeting of the board of directors or of a committee accompanied by the agenda of the meeting and ending on the close of trading on the trading day following the end of the meeting.

3.3 Additional black-out periods

From time to time, a member of management may (i) extend the above-described period of times where trading in Securities of Monarch is prohibited ("black-out periods"); (ii) establish additional "black-out periods"; and (iii) prohibit the trading in the securities of any other corporation under special circumstances. Directors, officers and employees and other Designated Insiders, as appropriate, will be informed of such extended or additional black-out periods, or additional "blacked out" security in a timely manner.

For the purpose of the above paragraph, a "member of management" means the President and Chief Executive Officer, the Vice-President, Finance and Chief Financial Officer and the Director, Legal Affairs and Corporate Secretary.

4. COMPLIANCE

A copy of this Policy must be communicated to each Designated Insider. Each employee must sign an initial declaration and declare annually, or at such other interval as the Corporation may decide, that he has read the Policy and agrees to abide by it. A copy of the Annual Declaration can be found in Appendix B of this Policy.

5. COMPREHENSION

A Designated Insider who has questions regarding this policy may consult with the Corporation's Director, Legal Affairs and Corporate Secretary.

APPENDIX A

MONARCH MINING CORPORATION
and its subsidiaries
(the “Corporation”)

EMPLOYEE’S INITIAL DECLARATION CONCERNING THE
SECURITIES TRADING POLICY

Name: _____
(Please print)

Title/Position: _____

Corporation: _____

On _____ I have received a copy of the *Securities Trading Policy* (the “Policy”) of the Corporation. I have read and understand the Policy and I undertake to respect it.

I understand that, at the request of the Corporation, I will have to renew my commitment every year to respect the Policy.

I understand that if I do not comply with the Policy, my conduct may result in disciplinary actions, including my dismissal.

Signature

Date

The signed certificate must be returned to the Human Resources for filing.

APPENDIX B

MONARCH MINING CORPORATION
and its subsidiaries
(the “**Corporation**”)

**EMPLOYEE’S ANNUAL DECLARATION CONCERNING THE
SECURITIES TRADING POLICY**

Name: _____

(Please print)

Title/Position: _____

Corporation: _____

I have read and understand the *Securities Trading Policy* (the “**Policy**”) of the Corporation. I undertake to respect the Policy.

Since my last statement regarding the Policy I fully respected the Policy.

I understand that, at the request of the Corporation, I will have to renew my commitment every year to respect the Policy.

I understand that if I do not comply with the Policy, my conduct may result in disciplinary actions, including my dismissal.

Signature

Date

The signed certificate must be returned to the Human Resources for filing.