



KARMIN EXPLORATION INC.

WHISTLEBLOWER POLICY

Purpose

As a public company, the integrity of the financial and other information of the Corporation Exploration Inc. and its subsidiaries (collectively, the “Corporation”) is vital. The Corporation is committed to the highest standards of ethical conduct and behavior, as well as compliance with all applicable laws and regulations, corporate reporting and disclosure, accounting practices and records, auditing practices and related matters. The Corporation’s Audit Committee has established this Whistleblower Policy to ensure that a confidential and anonymous process exists for persons to report any concerns that they may have regarding any questionable accounting, accounting internal controls, auditing matters or any other matters related to business conduct, associated with the Corporation. Reporting under this Policy is intended to be broad and comprehensive and to include any matter which, in view of the concern, may be illegal, unethical, contrary to the policies of the Corporation or in any other manner not proper or appropriate.

Responsibility

Directors, officers, employees, consultants and contractors of the Corporation are required to submit all good faith concerns and complaints in respect of the accuracy and integrity of the the Corporation’s accounting, internal control, auditing or any other matters that may constitute a breach of the Corporation’s Code of Business Conduct (the “Code”). Concerns about matters which individuals consider questionable, incorrect, misleading, fraudulent or unethical are required to be brought forward, without regard to the position of the person or persons responsible for the subject matter of the complaint or concern. Good faith reporting of such concerns is to be made honestly, whether or not the person has all of the facts or is certain that a breach has occurred. The Corporation recommends that individuals carefully consider all of the facts and circumstances before a report is made, to ensure that it is properly founded and is made in good faith. Reports which are knowingly false and thus are not made in good faith can result in disciplinary consequences for the person making the report.

The Corporation will not tolerate any retaliation or reprisal against anyone who, in good faith, reports a concern or complaint as to the accuracy or integrity of the Corporation’s accounting, internal control or external audits, or a potential breach of the Code, or questions whether certain conduct may constitute a breach.

Making Reports

Any person with a concern covered by this Policy may submit their concern to the Chairman of the Audit Committee, either identifying oneself or on an anonymous basis. Reports of such concerns (“Reports”) should be made in writing as follows:

- Directly to Chairman of the Audit Committee, in writing, in an envelope labelled “to be opened by the Audit Committee only”. If you would like to discuss any matter with the Chairman of the Audit Committee, include a telephone number at which you can be contacted if the Audit Committee thinks that would be appropriate. You can forward such an envelope to the Audit Committee through any member of Corporation management. It will be forwarded promptly and unopened to the Chairman of the Audit Committee.
- Mailing address for written documents:

Karmin Exploration Inc.
Attention: Chairman of the Audit Committee
Suite 5700, 100 King Street West
Toronto, Ontario
M5X 1C7

The envelope should be marked as “Private & Confidential”.

Reports may also be made by e-mail to the Chairman of the Audit Committee.

Reports may also be made to supervisors or management. Any supervisors who receive or become aware of any concern so reported from an employee are required to submit such concerns received to the Audit Committee in the manner described above, and also to senior management promptly.

All submissions to the Chairman of the Audit Committee may be made anonymously and are treated on a confidential basis. Submissions should include sufficient information to allow the Audit Committee to understand and review the concern.

No Adverse Consequences

Reports may be made without fear or dismissal, disciplinary action or retaliation of any kind. The Corporation will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith a report or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating the concern. If individuals believe that they have been subject to discrimination, retaliation, threats or harassment for having made a Report under this Policy, those facts should be reported to a supervisor, senior management or to the

Audit Committee Chairman in the manner described above so that the situation can be addressed promptly and appropriately.

Investigating Reports

Reports will be reviewed as soon as possible by the Audit Committee Chairman and the Audit Committee will, at its discretion, investigate complaints and take appropriate corrective actions. The Audit Committee may engage the assistance and direction of whomever the Audit Committee deems appropriate, including, but not limited to, external legal counsel. The Audit

Committee shall use reasonable efforts to protect any request for the reporter's identity to be handled confidentially.

The Audit Committee shall implement such corrective measures and perform actions in a manner it deems necessary or desirable to address the concern. The specific action taken in any particular case depends on the nature and gravity of the conduct or circumstances reported, and the quality of the information provided in the Report. Where possible and when determined to be appropriate by the Audit Committee, notice of any such corrective matters will be given to the person who submitted the Report.

If, at the conclusion of the investigation, the Audit Committee determines that a violation of this or any other Corporation policy has occurred, the Corporation will take effective remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused party, up to and including termination. If a Report indicates that illegal activity or a regulatory breach has occurred, a report may be made to the police or other law enforcement or regulatory agency, as appropriate. Reasonable and necessary steps will also be taken to prevent any further violations of Corporation policy.

The Audit Committee will retain, as part of its records, any complaints or concerns for a period in compliance with applicable laws, but in any event not for a period of less than three years following completion of the investigation. The Audit Committee will retain records of all steps taken in connection with the investigation and the results of any such investigation.

Communication and Review of the Policy

To ensure that all directors, officers, employees, consultants and contractors of the Corporation are aware of this Policy, a copy of the Policy, with an appropriate explanation of its importance, will be provided to all such individuals at the time this Policy is adopted or amended and for new employees, directors and other persons covered by this Policy, at the beginning of their relationship with the Corporation. Directors, officers and employees will be informed whenever significant changes are made to the Policy. The Audit Committee will review and evaluate this Policy on an annual basis to determine whether it is effective in providing a confidential and anonymous procedure to report violations or complaints.

Questions about the Policy

Questions regarding this Policy, including how the Policy should be followed in a particular situation, may be directed to the Chairman of the Audit Committee, the Chief Financial Officer of the Corporation, or to the Corporation's external legal counsel.

Approved: Board of Directors of Karmin Exploration Inc.

Date: October 21, 2011