



DISCLOSURE AND CONFIDENTIALITY POLICY

Approved by Board: September 23rd, 2020

RIO2 LIMITED

DISCLOSURE AND CONFIDENTIALITY POLICY

Effective

This Policy provides the approach of Rio2 Limited and any subsidiaries if applicable (collectively, the “**Corporation**” or “**Rio2**”) to disclosure of material information and maintaining the confidentiality of information. This Policy is intended to complement the Corporation's existing “Insider Trading and Reporting Policy” (the “**Insider Trading Policy**”).

This Policy, together with the Insider Trading Policy, is intended to assist the Corporation in complying with securities laws governing corporate disclosure, confidentiality and insider trading (collectively, the “**Disclosure Rules**”). The Corporation believes that compliance with the Disclosure Rules is essential to maintaining investor confidence in management of the Corporation and the integrity of the market for the Corporation's securities. Moreover, securities laws in certain Canadian jurisdictions, creates secondary market liability for the Corporation and others, including directors and officers, for misrepresentations in corporate disclosure and failures to make timely disclosure.

Any questions regarding the contents of this Disclosure and Confidentiality Policy (the “Disclosure Policy”) and how it applies, should be directed to Kathryn Johnson, Executive Vice President, Chief Financial Officer and Corporate Secretary, Phone: 1-604-762-4720, kathryn.johnson@rio2.com. For those wishing to communicate in the Spanish language, questions may also be directed to Kathryn Johnson.

Objective and Scope

The objective of this Disclosure Policy is to ensure that communications to the investing public about the Corporation are:

- timely, factual and accurate; and
- broadly disseminated in accordance with all applicable legal and regulatory requirements.

This Disclosure Policy confirms in writing our existing disclosure policies and practices. Its goal is to raise awareness of the Corporation's approach to disclosure among the Board of Directors, senior management, employees and consultants.

This Disclosure Policy extends to all employees, officers, consultants and the Board of Directors of the Corporation, any subsidiaries, if applicable, and those individuals authorized to speak on behalf of the Corporation, any subsidiaries, if applicable, (collectively referred to as the “Policy Participants”). It covers disclosures in documents filed with the securities regulators and written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on the Corporation's web site and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

Principles of Disclosure of Material Information

Material information is any information relating to the business and affairs of the Corporation. A “material fact” is a fact that: (i) significantly affects the market price or value of the Corporation’s securities; or (ii) would reasonably be expected to have a significant effect on the market price or value of the Corporation’s securities.

The officers of the Corporation responsible for determining whether particular information is material and must therefore be disclosed, or may be kept confidential in compliance with the Disclosure Rules are:

- President and CEO
- CFO

At least one of the above named officers (the “**Responsible Officers**”) should be involved in, and provide input to, the decision as to whether certain information is material and must therefore be disclosed in accordance with the Disclosure Rules. In the event of a failure to achieve consensus with respect to the decision and timing of disclosure, the decision of the President and CEO, or in his absence, the CFO should prevail.

In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the Corporation will adhere to the following basic disclosure principles:

1. Material information, which includes information in respect of developments relating to the business and affairs of the Corporation that would reasonably be expected to have a significant influence on a reasonable investors’ investment decisions, will be publicly disclosed immediately via news release.

Examples of potentially material information include the following:

Changes in Corporate Structure

- change of name in the Corporation
- changes in share ownership that may affect control of the company
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

Changes in Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in a company’s dividend payments or policies and the declaration or omission of dividends (either securities or cash)
- the possible initiation of a proxy contest
- material modifications to rights of security holders

Changes in Financial Results

- firm evidence of a significant increase or decrease in near-term earnings prospects

- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the company's assets

Changes in Business and Operations

- any development that affects the company's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with a major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- the results of any asset or property development, discovery or exploration, whether positive or negative
- changes to the Board of Directors or executive management, including the departure of the company's President and CEO and Corporate Secretary or CFO (or persons in equivalent positions)
- any oral or written employment, consulting or other compensation arrangements between the Corporation and/or any subsidiaries and any director or officer of the Corporation and/or any subsidiaries or their associates, for their services as directors or officers, or in any other capacity
- any oral or written management contract, any agreement to provide any investor relations, promotional or market making activities, any service agreement not in the normal course of business or any "related party" (as such term is defined under applicable Canadian securities laws) transactions
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the company's securities or their movement from one quotation system or exchange to another
- notice of suspension review or suspension of trading of the Corporation's securities

Acquisitions and Dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging, hypothecating or encumbering of the company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements

An immediate statement containing the major points of the material information is the first objective. Additional details may follow in a further news release, if necessary. When several significant actions are resolved or occur at one time, disclosure of all should be released immediately so that the full implications may be assessed by the public. Certain developments will require disclosure at the proposal stage or before an event actually occurs if the proposal gives rise to material information at that stage. Announcement of an intention to proceed with a transaction or activity giving rise to material information should be made when a decision has been made to proceed by the Board of Directors or senior management with the expectation of concurrence from the Board of Directors. Updates should be announced periodically, as events dictate, unless the original announcement indicated that an update would be disclosed on a specific date. In addition, prompt disclosure is required of any material change to the proposed transaction or to the previously disclosed information. While it is the responsibility of the Responsible Officers to determine what information is material in the context of the Corporation's business, the Responsible Officers may consult with the market surveillance agency of the stock exchange on which the Corporation's shares are traded when in doubt as to whether disclosure should be made.

2. In certain circumstances, the Responsible Officers may determine that such disclosure may be unduly detrimental to the Corporation (for example if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be immediately brought to the attention of the Board of Directors and will be kept confidential until the Responsible Officers determines it is appropriate to publicly disclose. In such circumstances, the Responsible Officers will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 5 days) review its decision to keep the information confidential (also see "**Rumours**"). The Responsible Officers will only withhold material information from public disclosure where there is a reasonable basis to do so and when the basis for maintaining confidentiality ceases to exist, shall promptly disclose such material information to the public.

At any time when material information is withheld from the public, the Corporation is under a duty to take precautions to keep such information completely confidential. Such information should not be disclosed to any officers, consultants, employees or advisors of the Corporation except in the necessary course of business. The Corporation shall also make sure that there is no selective disclosure of confidential information to third parties. The Corporation should ensure that when such information is disclosed in the necessary course of business all recipients are aware that it must be kept confidential. If the material information being treated as confidential becomes disclosed in some manner, the Corporation shall promptly disclose the material information publicly in the proper manner.

3. Disclosure must include any information, the omission of which would make the rest of the disclosure misleading (half-truths are misleading).
4. Unfavourable material information must be disclosed as promptly and completely as favourable information. The guiding principle should be to communicate clearly and accurately the nature of the information, without including unnecessary details, exaggerated reports or editorial commentary designed to colour the investment community's perception of the announcement one way or the other.

5. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, such information must be broadly disclosed immediately via news release.
6. Disclosure on the Corporation's web site alone does not constitute adequate disclosure of material information.
7. Disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure by the Corporation contained a material error at the time it was given.

Disclosure Controls

Under National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*, the CEO and the CFO of a reporting issuer other than "venture issuers" (as defined therein) are required, in connection with the filing of the issuer's annual and interim statutory filings, to sign a certificate certifying a number of things including matters in relation to the issuer's "disclosure controls and procedures" ("**Disclosure Controls**") which are generally defined as controls and other procedures of an issuer designed to provide reasonable assurance that the information required to be disclosed in the issuer's annual filings, interim filings or other reports is recorded, processed, summarized and reported within the prescribed time period.

Although the CEO and CFO of Rio2 are not required to certify any Disclosure Controls in connection with such filings while the Corporation is a "venture issuer", the Responsible Officers may nevertheless establish, maintain and evaluate reasonable Disclosure Controls and other procedures to be implemented and carried out under their supervision.

Whether or not any formal controls have been implemented by the Responsible Officers, it is essential that all directors, officers and employees ensure that the Responsible Officers are kept fully apprised of all pending and potentially material developments in the business affairs of Rio2 so that the Responsible Officers are able to determine the appropriateness and timing of the public disclosure of those developments.

Trading Restrictions and Blackout Periods

Policy Participants are referred to the Corporation's Insider Trading Policy. The purpose of the Insider Trading Policy is to summarize the insider trading restrictions to which Policy Participants are subject under applicable securities legislation, and to set forth a policy governing investments in securities of the Corporation and the reporting thereof which is consistent with the legislation. Among other things, the Insider Trading Policy sets forth trading restrictions, blackout periods and reporting requirements for Policy Participants.

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, Policy Participants with knowledge of confidential or material information about the Corporation or counter-parties in negotiations of material potential transactions, are prohibited from

trading shares in the Corporation or any counter-party until the information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated.

Prior to making any trade, all directors and officers of the Corporation must first inquire, in general terms, whether or not it would be potentially embarrassing for such director or officer to trade in the Corporation's securities. Such general inquiry shall be directed to either the Corporate Secretary or the CFO. If the result of such inquiry is that it would be potentially embarrassing for the inquiring director or officer to trade in the Corporation's securities, then such director or officer shall not trade.

When is Information Deemed Public?

Securities legislation does not define the term "generally disclosed" or "publicly disclosed", however, Canadian courts have held that information has been generally disclosed or publicly disclosed if the information has been disseminated in a manner calculated to effectively reach the market place and public investors have been given a reasonable amount of time to analyze the information.

Accordingly, if you are aware of any material information relating to the Corporation which has not been made available to the public, you must not trade, directly or indirectly, in the Corporation's securities or disclose such information to another person likely to trade in the Corporation's securities until the greater of: (i) at least two hours after the market opens on the next trading day following the news release announcing the material information to the public; or (ii) such greater period of time as may be required in order to comply with the rules prescribed by the stock exchange(s) on which the Corporation's shares are listed. Thus, one may not attempt to "beat the market" by trading simultaneously with, or shortly after, the official release of material information. Insider trading is not permissible merely because rumours or other unofficial statements in the marketplace reflect material information.

Maintaining Confidentiality

Any Policy Participant privy to confidential information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Reasonable best efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.

Communication by e-mail leaves a physical track of its passage that may be subject to later decryption attempts. Where possible, Policy Participants should avoid using e-mail to transmit confidential information.

Reasonable best efforts will be made to ensure that outside parties privy to undisclosed material information concerning the Corporation will be told that they must not divulge such information to anyone else, other than in the necessary course of business. Where the Corporation deems it appropriate, such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement. In order to prevent the misuse or inadvertent disclosure of material information, reasonable best efforts should be made to ensure that the procedures set forth below are observed at all times:

1. Documents and files containing confidential information should be kept in a safe place to which access is restricted (for example via passcard) to individuals who “need to know” that information in the necessary course of business and code names should be used if necessary.
2. Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
3. Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
4. Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
5. Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
6. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
7. Access to confidential electronic data should be restricted through the use of passwords.

Designated Spokespersons

The Corporation designates a limited number of spokespersons responsible for communication with the investment community, regulators or the media. The President and CEO, the CFO and the investor relations contact shall be the official spokespersons for the Corporation. Individuals holding these offices may, from time to time, designate others within the Corporation to speak on behalf of the Corporation as back-ups or to respond to specific inquiries.

Policy Participants who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred to the President and CEO, CFO or the investor relations contact.

News Releases

Once the Responsible Officers determines that a development is material, it will authorize the issuance of a news release, unless the Responsible Officers determines that such developments must remain confidential for the time being, in which case appropriate confidential filings will be made and control of that material information is instituted. Should a material statement inadvertently be made in a selective forum, the Corporation will immediately issue a news release in order to fully disclose that information.

If the stock exchange(s) upon which shares of the Corporation are listed is/are open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to the market surveillance departments to enable a trading halt, if deemed

necessary by the stock exchange(s). If a news release announcing material information is issued outside of trading hours, market surveillance must be notified before the market opens.

Annual and interim financial results will be publicly released as soon as practicable following board review and approval.

News releases will be disseminated through an approved news wire service that provides simultaneous national and/or international distribution. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media and, at the option of the Corporation, the local media in areas where the Corporation has its headquarters or operations.

News releases will be posted on the Corporation's web site as soon as practicable after release over the news wire. The news release page of the web site shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases.

Rumours

The Corporation generally does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. The Corporation's spokespersons will respond consistently to those rumours, saying, "It is our policy not to comment on market rumours or speculation." Should the stock exchange request that the Corporation make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Responsible Officers will consider the matter and decide whether to make an exception to its policy.

Contact with Analysts, Investors and the Media

In communicating with investment analysts, security holders, potential investors and the media, the following practices must be avoided:

- (a) Announcing material information that has not been previously announced in a news release;
- (b) Selective disclosure;
- (c) Distribution of investment analyst reports; and
- (d) Commenting on unreleased technical information or current period earnings estimates and financial assumptions other than those already publicly disclosed.

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Corporation intends to announce material information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

The Corporation recognizes that meetings with analysts and significant investors are an important element of the Corporation's investor relations program. The Corporation will meet with analysts and

investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Disclosure Policy.

The Corporation will endeavor to provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may assemble this information in a manner that could result in material information. The Corporation cannot alter the materiality of information by breaking down the information into smaller, non-material components.

The Corporation may, if applicable or determined by the Board of Directors to be desirable, maintain a “frequently asked questions” section on its web site and will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors.

Spokespersons of the Corporation will normally keep notes of telephone conversations with analysts and investors and where practicable, more than one Corporation representative will be present at all individual and group meetings. Normally a debriefing will be held after such discussions and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Corporation will immediately take steps to ensure that a full public announcement is made. Such steps will normally include contacting the market surveillance of the stock exchange on which the Corporation’s shares are traded and requesting that trading be halted pending the issuance of a news release and pending such issuance of the news release notifying all parties (to the extent reasonably practicable) who have knowledge of the information that such information is material and that it has not been generally disclosed.

Reviewing Analyst Draft Reports and Models

It is the Corporation’s policy to review, upon request, analysts’ draft research reports or models. The Corporation will normally review the report or model for the purpose of pointing out errors in fact based on publicly disclosed information. It is the Corporation’s policy, when an analyst inquires with respect to his/her estimates, to question an analyst’s assumptions if the estimate is significantly outside of the range of “Street” estimates and/or the Corporation’s published earnings guidance, if applicable. The Corporation will limit its comments in responding to such inquiries to non-material information. The Corporation will not confirm, or attempt to influence, an analyst’s opinions or conclusions and will not express comfort with the analyst’s model and earnings estimates.

In order to avoid appearing to “endorse” an analyst’s report or model, the Corporation will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

Distributing Analyst Reports

Analyst reports are proprietary products of the analyst’s firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Corporation of the report. For these reasons, the Corporation will not provide analyst reports through any means to persons outside of the Corporation or to Policy Participants of the Corporation, including posting such information on its web site. The Corporation may post on its web site a complete list, regardless of the recommendation, of all the investment firms and

analysts who provide research coverage on the Corporation. If provided, such list will not include links to the analysts' or any other third party web site or publications.

Industry Conferences

Rio2 may participate in various industry conferences in Canada and elsewhere. In general, conversations with interested parties should be limited to explanations or clarifications of publicly disclosed material information or other non-material information or non-confidential information. The Responsible Officers should approve brochures or other material prior to dissemination to the public. The Responsible Officers should ensure that material information is not disclosed, unless it has been disclosed previously. If unintentional selective disclosure of non-public material occurs, the Responsible Officers should be notified immediately, and Rio2 will immediately disclose such information in a news release, and take any other steps the Responsible Officers deem appropriate.

Scientific and Technical Information

Scientific and technical information disclosed by Rio2, including estimates of mineral reserves and mineral resources, must comply with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) and the policies of any stock exchange where the Corporation's shares are listed and traded. In particular:

- All disclosure of scientific or technical information made by Rio2 concerning a mineral project on a property material to Rio2 must be:
 - based on information prepared by or under the supervision of a “qualified person”, as defined in NI 43-101; and
 - reviewed and approved by a “qualified person” and Rio2's external legal counsel for compliance with NI 43-101 and the provisions hereof;
- Rio2 will not disclose any information about a mineral resource or a mineral reserve unless the disclosure:
 - uses only the applicable mineral resource and mineral reserve categories established by the Canadian Institute of Mining, Metallurgy and Petroleum in the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, as those definitions may be amended;
 - reports each category of mineral resources and mineral reserves separately, and states the extent, if any, to which mineral reserves are included in total mineral resources;
 - does not add inferred mineral resources to the other categories of mineral resources; and
 - states the grade and quality and quantity for each category of the mineral resources and mineral reserves if the quantity of contained metal or mineral is included in the disclosure;
- Rio2 will not make any disclosure of the:

- quantity, grade or metal or mineral content of a deposit that has not been categorized as an inferred mineral resource, an indicated mineral resource, a measured mineral resource, a probable mineral reserve or a proven mineral reserve; or
 - results in an economic analysis that includes inferred mineral resources, subject to exceptions detailed in NI 43-101 relating to potential quantity and grade ranges, preliminary assessments and historical estimates;
- If Rio2 discloses in writing mineral resources or mineral reserves on its properties, the disclosure must include:
 - the effective date of each estimate of mineral resources and mineral reserves, or a reference to the title and date of a previously filed document that discloses such information;
 - details of quantity and grade or quality of each category of mineral resources and mineral reserves;
 - details of the key assumptions, parameters and methods used to estimate the mineral resources and mineral reserves, or a reference to the title and date of a previously filed document that contains such disclosure;
 - a general discussion of the extent to which the estimate of mineral resources or mineral reserves may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues, or a reference to the title and date of a previously filed document that includes such disclosure; and
 - a statement that mineral resources that are not mineral reserves do not have demonstrated economic viability, if the results of an economic analysis of mineral resources are included in the disclosure.
- If Rio2 discloses in writing any scientific and technical information about a property held by a third party, it will clearly distinguish between the information from the property and its own property and not state or imply that Rio2 will obtain similar information from its own property.
- If Rio2 discloses in writing any historical information, the disclosure must include:
 - source and date of historical estimate;
 - commentary on the relevance and reliability of the historical estimate;
 - to the extent known, the key assumptions, parameters, and methods used to prepare the historical estimate;
 - discussion on whether the historical estimates uses categories other than the terms set on in the Canadian Institute of Mining, Metallurgy and Petroleum Definitions and if so, include an explanation of the differences;
 - any more recent estimates or data available to Rio2;

- commentary on what work needs to be done to upgrade or verify the historical estimate as current mineral resources or mineral reserves; and
- if a qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, then that needs to be stated clearly and the disclosure should also include a statement that the Corporation is not treating the historical estimate as current mineral resources or mineral reserves.

Rio2 must also file a mining technical report to support scientific or technical information disclosed in certain disclosure documents that describe a mineral project on a property material to Rio2. These documents include a preliminary prospectus or preliminary short form prospectus, an information circular concerning a direct or indirect acquisition of a mineral property where Rio2 issues securities as consideration, an offering memorandum, a rights offering circular, an annual information form, a valuation, a take-over bid circular if securities of Rio2 are being offered in exchange on the take-over bid, and a news release or directors' circular that contains:

- first time disclosure of a preliminary assessment or mineral resources or mineral reserves on a property material to Rio2 that constitutes a material change in the affairs of Rio2; or
- a change in a preliminary assessment or in mineral resources or mineral reserves from the most recently filed technical report that constitutes a material change in respect of the affairs of Rio2.

Mining technical reports are not required to be filed in connection with certain types of historical estimates and scientific and technical information which pre-dates NI 43-101.

Forward-Looking Information

Generally, the Corporation should not disclose forward looking information (“**FLI**”) unless required by law to do so, or unless the Corporation believes such disclosure will enhance a reasonable investor’s investment decision, whether positively or negatively. Should the Corporation determine it has a reasonable basis and elects to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, or other media, the following guidelines will be observed.

1. FLI, if deemed material, will be broadly disseminated via news release, in accordance with this Disclosure Policy.
2. The FLI will be clearly identified as forward looking.
3. The Corporation will identify all material assumptions and factors used in the preparation of the FLI.
4. The FLI will be accompanied by a reasonable, meaningful cautionary statement that identifies the material risks, uncertainties and other material factors that may cause the actual results to differ materially from those projected in the statement.
5. The FLI will be accompanied by a statement that disclaims the Corporation’s intention or obligation to update or revise the FLI, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Corporation may choose to issue a news

release explaining the reasons for the difference. In this case, the Corporation will update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

6. Any oral FLI (such as those made in conference calls, analyst interviews or “road shows”) must be accompanied by a statement:
 - (a) that the statement is “forward-looking;”
 - (b) that actual results may differ materially from those projected in the forward looking statement; and
 - (c) that additional information concerning factors that could cause actual results to differ from those projected is contained in an identified, readily available written document.

If the Corporation has issued a forecast or projection, the content of which is subject to applicable securities legislation, the Corporation will update that forecast or projection periodically, as required by such legislation.

Managing Expectations

The Corporation will try to ensure, through its regular public dissemination of quantitative and qualitative information that analysts’ estimates are in line with the Corporation’s own expectations. The Corporation will not confirm, or attempt to influence, an analyst’s opinions or conclusions and will not express comfort with analysts’ models and earnings estimates.

If the Corporation has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in a news release in order to enable discussion without risk of selective disclosure.

Quiet Periods

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Corporation will observe a quarterly quiet period, during which the Corporation will not initiate or participate in any meetings or telephone contacts with analysts and investors and no earnings guidance will be provided to anyone, other than responding to unsolicited inquiries concerning factual matters. The quiet period commences two weeks prior to the applicable filing deadline and ends with the public release of the information.

Disclosure Record

The CFO will be responsible for maintaining a five-year file containing all relevant public information about the Corporation.

Responsibility for Electronic Communications

This Disclosure Policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosure shall also be responsible for electronic communications.

The investor relations contact shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this Disclosure Policy shall be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, Policy Participants are prohibited from participating in Internet chat rooms or newsgroup discussions or otherwise “blogging” on matters pertaining to the Corporation’s activities or its securities without the specific prior authorization of the Policy Participant’s Manager. Policy Participants are directed to Rio2’s Social Media Policy for additional information regarding usage of social media applications.

Web Site

The Responsible Officers will be responsible for creating and maintaining Rio2’s website, and that of any subsidiaries, to ensure it is maintained in accordance with the following:

- (a) the following information must be included on the website:
 - (i) all Material Information that has previously been generally disclosed, including, without limitation, all documents filed on SEDAR or a link to those documents on SEDAR;
 - (ii) all non-material information that is given to analysts, institutional investors and other market professionals (such as fact sheets, fact books, slides of investor presentations, materials distributed at analyst and industry conferences); and
 - (iii) all news releases or a link to those news releases.
- (b) the website must contain an e-mail link to a contact for Rio2 to facilitate communication with investors;
- (c) the website must include a notice that advises the reader that the information was accurate at the time of posting, but may be superseded by subsequent disclosures;
- (d) inaccurate information must be promptly removed from the website and a correction must be posted;
- (e) all information posted on the website must be dated when it is posted or modified;
- (f) no media articles pertaining to the business and affairs of Rio2 will be posted on any of its websites;
- (g) links from Rio2’s website must include a notice that advises the reader that he or she is leaving Rio2’s website and that Rio2 is not responsible for the contents of the other site;

- (h) no links will be created from Rio2's website to chat rooms, newsgroups or bulletin boards;
- (i) all information on Rio2's website will be retained for a minimum period of two years from the date of issue;
- (j) if Rio2 is considering a distribution of its securities, the content of the website must be reviewed by Rio2's external legal counsel before and during the offering to ensure compliance with applicable securities laws; and

The Responsible Officers will be responsible for:

- (k) posting all public information on Rio2's website as soon as is practicable after public dissemination has taken place;
- (l) carrying out regular reviews of Rio2's website to ensure the information is accurate, complete, current and in compliance with applicable disclosure requirements and electronic disclosure guidelines;
- (m) ensuring all outdated or inaccurate information is removed on a timely basis and electronically archived;
- (n) maintaining a log that lists date and content of all material information that is posted and/or removed from the website;
- (o) approving all links from Rio2's website to third party websites and ensuring all such links include a notice that advises the reader that he or she is leaving Rio2's website and that Rio2 is not responsible for the contents of the other site; and
- (p) responding to all electronic enquiries and in so doing ensuring that only information that could be otherwise disclosed in accordance with the Policy shall be used in such responses.

Disclosure on Rio2's web site alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosure of material information on Rio2's web site will be preceded by the issuance of a news release.

Liability to Investors in the Secondary Market

Legislation in various Canadian provinces gives investors in the secondary market the right to sue any public company and key related people for making public misrepresentations about the company or for failing to make timely disclosure as required by law.

The legislation provides secondary market investors with limited right of action against an issuer of securities, its directors, responsible senior officers, "influential persons" (i.e. large shareholders with influence over disclosure), auditors and other responsible experts. Secondary market investors have the right to seek limited compensation for damages suffered at a time when the issuer had made, and not corrected, public disclosure (either written or oral) that contained an untrue statement of a material fact or failed to make required material disclosure.

Investors have the right to sue whether or not they actually relied on the misrepresentation or failure to make timely disclosure.

The issuer and other possible defendants are afforded varying defences based on the responsibility for the disclosure. For some types of disclosure, a person has a defence if that person conducted due diligence. For other types of disclosure, the person is not liable unless the plaintiff proves that the person knew about the misrepresentation, deliberately avoided acquiring knowledge or was guilty of gross misconduct in making the misrepresentation.

In order to limit potential exposure, the Responsible Officers will conduct or cause to be conducted a reasonable investigation of the disclosure to be released such that the Responsible Officers would be satisfied that there would be no reasonable grounds to believe that the document or oral statement contains any misrepresentation. Similarly, the Responsible Officers will conduct or cause to be conducted a reasonable investigation to ensure that there would be no reasonable grounds to believe that a failure to make timely disclosure would occur.

Strict adherence to the Corporation's Disclosure Policy will assist to minimize exposure to potential liabilities under current and proposed legislation.

Communication and Enforcement

All current and future Directors, officers, consultants and employees will be provided with a copy of this Disclosure Policy and will be directed to review same and confirm by their execution and delivery of an Acknowledgement, in substantially the form attached hereto as Schedule A, their review of this Policy and their agreement to comply with the obligations and restrictions of this Policy. This Disclosure Policy will be circulated to all Policy Participants whenever changes are made.

If Policy Participants have any questions regarding the contents of this Disclosure Policy and how it applies to them or are unsure whether or not he or she may trade in a given circumstance, a Policy Participants should contact the CFO, for those wishing to communicate in the Spanish language, also the CFO for assistance. Contact information for each of the CFO, is provided above on the first page of this Disclosure Policy.

All Policy Participants who violate this Disclosure Policy may face disciplinary action up to and including termination of his or her employment or relationship with the Corporation without notice. The violation of this Disclosure Policy may also violate certain securities laws. If it appears that a Policy Participant may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Policy Review

Rio2's Board of Directors will review and evaluate this policy annually to determine if the Policy effectively ensures accurate and timely disclosure in accordance with its disclosure obligations.

Schedule A

ACKNOWLEDGEMENT REGARDING DISCLOSURE AND CONFIDENTIALITY POLICY

I, _____, hereby acknowledge that I have received and read a copy of the Rio2 Limited "*Disclosure and Confidentiality Policy*" and agree to comply with its terms. I understand that violation of insider trading or tipping laws or regulations may subject me to severe civil and/or criminal penalties, and that violation of the terms of the above-noted policy may subject me to discipline by Rio2 up to and including termination.

Signature

Date