



WHISTLE BLOWER PROCEDURES

INTRODUCTION

Cadon Resources Corporation (the "Company") is committed to maintaining appropriate compliance with all applicable requirements concerning corporate accounting practices, accounting controls and auditing practices (collectively "Accounting Standards") and with its Code of Business Conduct and Ethics (the "Code").

PURPOSE

Pursuant to the charter of the Audit Committee (the "Committee") of the Board of Directors (the "Board") and to applicable regulatory requirements, it is the policy of the Company to establish and maintain a complaint program to facilitate the receipt, retention and treatment of complaints received by the Company regarding its accounting, internal accounting controls, auditing matters or violations of the Code, and the confidential, anonymous submission by directors, officers, consultants, Employees and Contractors hired by the Company (collectively "Employee" or "Employees") of concerns regarding questionable accounting or auditing matters. In order to carry out these responsibilities the Company has adopted this Whistle Blower policy (the "Policy").

Examples of concerns which might form the basis for a report under this Policy include:

- a. Violation of any applicable law, rule or regulation that relates to corporate Accounting Standards and financial disclosure;
- b. Fraud or deliberate misstatement in the preparation, evaluation, review or audit of any financial statement of the Company;
- c. Fraud or deliberate misstatement in the recording and maintaining of financial records of the Company;
- d. Deficiencies in or non-compliance with the Company's internal policies and controls;
- e. Misrepresentation or a false statement by or to an Employee or any Company subsidiaries respecting a matter contained in the financial records, reports or audit reports;
- f. Deviation from full and fair reporting of the Company's financial condition; and
- a. Deficiencies in or non-compliance with the Code.

ROLES & RESPONSIBILITIES

The Board has assigned responsibility for overseeing the Company's Whistle Blower Policy, Procedures and Investigations to its Committee.

COMMUNICATION OF THE POLICY

To ensure that all Employees are aware of this Policy, a copy of this Policy will be distributed to all directors, officers and employees. All Employees will be informed whenever significant changes are made. New Employees will be provided with a copy of this Policy and will be educated about its importance.

REPORTING ALLEGED VIOLATIONS OR COMPLAINTS

1 REPORTING CONCERNS

Any person with a concern relating to the Accounting Standards or compliance with the Code by the Company or any subsidiary of the Company may submit their concern to the Chairperson of the Committee (the "Chairperson") directly in writing or via email to the Chairperson unless the concern pertains to the Chairperson, in which case it will be addressed to the Chief Executive Officer (the "CEO")

2 ANONYMITY AND CONFIDENTIALITY

All reports may be made and will be treated on a confidential and anonymous basis. If an Employee would like to discuss any matter with the Committee, the Employee should indicate this in the submission and include a telephone number at which he or she can be reached, should the Committee deem such communication is appropriate

NO ADVERSE CONSEQUENCES

A submission regarding a concern regarding Accounting Standards or compliance with the Code may be made by an Employee without fear of dismissal, disciplinary action or retaliation of any kind. The Company will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any Employee in the terms and conditions of employment based on any lawful actions of an Employee with respect to good faith reporting of concerns or complaints regarding Accounting Standards, compliance with the Code or providing assistance to the Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating such a concern.

TREATMENT OF SUBMISSIONS

Concerns will be reviewed as soon as possible by the Committee in the manner deemed to be appropriate based upon the merits of the submission and with the assistance and direction of whomever the Committee thinks appropriate, which may include external legal counsel. The Committee will convene as appropriate to review concerns and any impact on the Company's financial statements and public reports. Such meetings to review concerns will be held without Company or outside auditor personnel present unless requested by the Committee. The Committee shall implement such corrective measures and do such things in an expeditious manner as it deems necessary or desirable to address the concern based upon the merits of the submission.

Where possible and when determined to be appropriate by the Committee, notice of any such corrective measures will be given to the persons who submitted the concern.

RETENTION OF RECORDS

The Committee shall retain records relating to any concern or report of a retaliatory act and to the investigation of any such report for a period judged to be appropriate based upon the merits of the submission. The types of records to be retained by the Committee shall include records of all steps taken in connection with the investigation and the results of any such investigation.

REVIEW OF POLICY

The Committee will review and evaluate this Policy on an annual basis to determine whether the Policy is effective in providing appropriate procedures to report violations or complaints regarding Accounting Standards or the Code.

Any recommendations or changes will be submitted to the Board for approval.

QUERIES

If you have any questions about how this Policy should be followed in a particular case, please contact the Chairperson who will provide such guidance as is deemed necessary.