

COMPLAINTS REPORTING



Approved by the Board of Directors:

November 11, 2009

POLICY

The directors of St Andrew Goldfields Ltd. (the “Company”) are committed to providing an environment where open communication is available to every employee. It is of paramount importance that our employees be provided with an avenue to report any issues that are detrimental or counterproductive. Reporting at the supervision or human resources level is encouraged; however, should a situation arise where an employee is uncomfortable using these vehicles, we have set up a workplace ethics hotline/e-Web reporting service with *Whistleblower Security Inc.* as an alternative.

This service gives everyone access to an independent third party in order to help maintain confidentiality and security of anonymity without fear of personal or professional reprisal.

This service provides an anonymous, confidential means for reporting sensitive workplace information relating to many issues including: fraud/theft, workplace violence, substance abuse, discrimination, harassment, falsification of company records, conflict of interest, environmental/safety/security violations, malicious damage and violation of regulatory issues.

Employees of the Company may report complaints by either internal or external means, following the procedures set out in Sections 1 and 2 below. Both processes are confidential.

1. Reporting Complaints Internally

- (a) An employee of the Company wishing to report a complaint using internal means may refer a complaint to the supervision or human resources level. Supervisors and human resources personnel will treat all disclosures in confidence and will only involve those individuals who need to be involved in order to investigate such complaint.
- (b) An employee of the Company may refer a complaint to the Whistleblower Line (as defined below), reports of which will only be accessed by one or both of two independent directors, one being the Chair of the Audit Committee and the second being a member of the Audit Committee, if it has not been effectively addressed after being raised internally with the supervision or human resources level. An employee wishing to refer a complaint directly to the Chair of the Audit Committee may do so via the Whistleblower Line as outlined in Section 4 below.

2. Reporting Complaints Through the Whistleblower Line

- (a) The Company has established its telephone and internet-based whistleblower hotline (the “Whistleblower Line”) so that complaints of employees of the Company and members of the public (referred to in this policy as “Complainants”) can be reported in an anonymous (if so desired) and confidential manner.
- (b) A telephone number and a secure website will be maintained for the purposes of receiving complaints on an anonymous basis. The Whistleblower Line will be available as per the contact details set out in Section 4. Whistleblower Line Information below.
- (c) Should a Complainant provide his or her telephone number, mailing address or email address, he or she will be contacted by either of the independent directors within ten business days following the Complainant’s initial call to the Whistleblower Line, as applicable.
- (d) Each Complainant will be assigned a unique reference number, to be logged by the recipient. This reference number will be provided to the Complainant for future reference.
- (e) All complaints received by the Whistleblower Line will be forwarded directly to the independent directors, within five business days of receipt, unless it is determined that the complaint is of an urgent nature, in which case, such complaint will be forwarded immediately upon such determination being made. Should a complaint involve the independent directors, such persons will not be sent a copy of the complaint and instead, their copy of the report of the complaint shall be forwarded directly to the Chief Executive Officer.

3. Complaints Received from Members of the Public

An employee of the Company who receives a complaint from a member of the public should advise the Complainant to report their complaint directly by using the Whistleblower Line as set out in Section 2 above.

4. Whistleblower Line Information

The following two options have been provided for filing confidential reports 24/7:

Option A – call centre service

Call the telephone hotline designated toll-free number at 1-866-921-6714 to leave a message for the Chairman of the Audit Committee.

OR

Option B – e-Web reporting system

Anonymously log onto the secure website www.whistleblowersecurity.com from an Internet connection or email: sas@whistleblowersecurity.com to communicate your concerns.