

ANTI-CORRUPTION POLICY

A. PURPOSE

Great Panther Mining Limited (the “**Company**”) is committed to strict compliance with all applicable anti-corruption legislation and to maintaining the highest ethical standards in its business dealings and relationships with Public Officials. The Company’s commitment to such anti-corruption compliance is set out in this Anti-Corruption Policy (the “**Policy**”).

Should uncertainty regarding the application of, or appropriate conduct under, this Policy arise, immediately contact the Anti-Corruption Compliance Officer for further guidance.

B. SCOPE, ROLES & RESPONSIBILITIES

This policy applies to all directors, officers and employees of Great Panther and its subsidiaries, and any contractors or consultants representing or acting on behalf of the Company or a subsidiary of the Company (collectively, the “**Company’s Representatives**”).

The Board has established the role of “**Anti-Corruption Compliance Officer**” to be fulfilled by the Company’s Chief Financial Officer.

It is the responsibility of the Company’s Representatives to understand this Policy and to seek instruction from the Anti-Corruption Compliance Officer when there is any question or doubt as to how the rules set out in this Policy apply in a given situation. In this Policy, any reference to “**you**” means any person subject to this Policy.

The Board is strongly committed to this Policy and will provide the necessary leadership, direction, resources and active support for the Company’s implementation and enforcement of this Policy.

The Anti-Corruption Compliance Officer shall regularly report to the Board concerning the implementation and effectiveness of this Policy, and shall *immediately* report to the Board any established violations of this Policy or other similarly material concerns. All reports of confirmed or suspected bribery by the Company, any subsidiary or any third party acting on its or their behalf will be immediately and fully investigated at the Anti-Corruption Compliance Officer’s direction, in consultation with the Board.

The Board is responsible for periodically reviewing the adequacy of this Policy taking into account relevant developments in the business of the Company and evolving international laws and industry standards, and the compliance of the Company and its subsidiaries with this Policy.

The Anti-Corruption Compliance Officer will diligently assist the Board in complying with its duties to the Company and with its obligations under this Policy, including by (i) assisting the Board with its periodic reviews of the adequacy of this Policy, (ii) assisting the Board with its periodic reviews of the Company’s and its subsidiaries’ compliance with this Policy, and (iii) promptly providing the Board



with detailed and accurate information regarding any confirmed or suspected violations of this Policy (or other similarly material concerns) as may be requested by the Board.

The Company's and the Board's commitment to this Policy will be reflected in human resources practices including recruitment, promotion, performance evaluation, remuneration and recognition, as well as such anti-corruption education and training further described in Section C.4 below. The Company's and its subsidiaries' executives, officers, managers and employees must ensure that they complete any anti-corruption training that they are required to undertake as directed by the Anti-Corruption Compliance Officer and the Board from time to time. Non-executive directors must also closely familiarize themselves with the principles, policies and prohibitions outlined in this Policy.

Non-compliance with this Policy may result in criminal or civil penalties, which will vary according to the offence, but which could include imprisonment and unlimited monetary fines. Anyone acting in contravention of this Policy may also face immediate disciplinary action up to and including termination for cause.

C. POLICY

1. Definitions and Interpretations

"Board" means the board of directors of the Company.

"CFPOA" means the Corruption of Foreign Public Officials Act of Canada.

"Anti-Corruption Compliance Officer" means the person named to such role from time to time by the Board, who shall initially be the Chief Financial Officer.

"Facilitation Payments" means a payment made to expedite or secure the performance by a Public Official of any act of a routine nature that is part of the Public Official's duties or functions, including:

- the issuance of a permit, licence or other document to qualify a person to do business or manage a mine, a development or an exploration project;
- the processing of official documents, such as visas and work permits, or export or import documents;
- the provision of services normally offered to the public, such as mail pick-up and delivery, telecommunications services and power and water supply; and,
- the provision of services normally given as required, such as police protection, loading and unloading of cargo, the protection of perishable products or commodities from deterioration or the scheduling of inspections related to contract performance or transit of goods.

"FCPA" means the United States Foreign Corruption Practice Act.

"Public Official", for the purposes of this Policy, should be interpreted broadly and includes:

- a person who holds a legislative, administrative or judicial position in a government;



- a person who performs public duties or functions for a government, including a person employed by a board, commission, corporation or other body or authority that is established to perform a duty or function on behalf of the government, or is performing such a duty or function; and,
- an official or agent of a public international organization that is formed by two or more states or governments, or by two or more such public international organizations.

For certainty, the term Public Official includes (i) employees or representatives of national, regional or local government bodies or agencies (e.g., customs officials, immigration officials, government regulators, government inspectors, police officers, army officers, tax or labour officials), (ii) elected or appointed officials (e.g., mayors, council members, senators, ministers, judges), (iii) employees or representatives of government-owned or controlled entities, including companies and partnerships (e.g., state-owned oil and gas companies, pipelines and utilities), (iv) political party officials or candidates for political office, (v) employees of international public organizations (e.g., the United Nations, World Bank and other international development agencies or non-governmental organizations), (vi) members of royal families, and (vii) any other person acting in an official capacity on behalf of a government, government agency, government-owned or controlled enterprise or public international organization.

“Third Parties” means any agents, intermediaries, representatives, consultants, brokers, carriers, suppliers, distributors, contractors, joint venture partners or any other outside parties engaged by or acting on behalf of the Company or any of its subsidiaries, whether individuals or organizations.

2. Policy Summary

Bribery is strictly prohibited. The Company has a zero-tolerance approach toward bribery and the corruption or attempted corruption of Public Officials. You must comply with all Canadian anti-corruption laws and all other applicable anti-corruption laws, including the FCPA, as the case may be. Although a particular action may be lawful under Canadian law or U.S. law, it might not be lawful under the local laws and regulations of a particular foreign country, and vice versa. In either case, the action is prohibited.

For purposes of this Policy, “bribery” is defined in reference to the CFPOA as:

- a direct or indirect giving, offering or agreement to give or offer a loan, reward, advantage or benefit of any kind,
- to any foreign public official or any person for the benefit of a foreign public official,
- as consideration for an act or omission by the official in connection with the performance of the official’s duties or functions; or to induce the official to use his or her position to influence any acts or decisions of the foreign state or public international organization for which the official performs duties or functions, and
- in order to obtain or retain an advantage in the course of business.



As such, any offering to give, giving, or promising to give anything of value (including cash, gifts, travel, entertainment, favours or other business courtesies) in order to influence or attempt to influence a decision in pursuit of a business advantage should be considered a “bribe”, including a kickback in the return of a sum of money already paid or due to be paid.

For certainty, Facilitation Payments constitute bribery and are strictly prohibited by this Policy.

3. The Offence of Bribery in Detail

The following sections elaborate on the above elements of the definition of bribery in greater detail.

(a) Payment, Offer, Promise or Authorization of the Payment of Anything of Value

An offer or promise can constitute a bribe, even if the Public Official (or intended recipient) does not actually receive the payment. Likewise, an offer or promise can be a bribe, regardless of whether or not the official accepts or agrees to the payment. The phrase “anything of value” should be interpreted broadly to include anything (whether monetary or non-monetary) that provides a benefit to or is of value to the Public Official. It may include favours, loans and loan guarantees, the use of property, job offers, political contributions or the payment of expenses or debts.

(b) Given Directly or Indirectly

Importantly, the use of the phrase “direct or indirect” in the CFPOA captures bribes provided through Third Parties. The Company may therefore be liable under the CFPOA for illicit offers or payments extended on their behalf by an agent, representative or other Third Party to a Public Official.

Furthermore, this will be the case both where a Company Representative directs or authorizes the illicit offer or payment by a Third Party to a Public Official as well as where the Company Representative had reason to believe the Third Party would likely make the payment but the Company Representative deliberately failed to make any further inquiry into the matter in fear of what he or she might learn or because he or she preferred to remain ignorant.

(c) Public Official

Public Official is defined in the interpretation Section of this Policy. It is key to understand that “Public Official” should be interpreted broadly to include all manner of persons acting for and related to governments, government-owned or controlled entities, and international organizations, including low-ranking employees of a government and government-controlled entities and consultants who hold government positions. Furthermore, an entity should be considered government owned or controlled both where it is majority owned or controlled by a government and where it is minority owned and controlled by a government. Lastly, an individual should be considered to “hold a legislative, administrative or judicial position in a government” both where the person is a political party official or where the person is a candidate for political office.



It is often difficult to determine whether a person (or entity) is a Public Official. You should contact your manager/general manager or the Anti-Corruption Compliance Officer if you are unsure whether a particular person is a Public Official.

(d) Person for the Benefit of a Public Official

This definition of bribery covers the situation where a Public Official might not receive the benefit himself or herself, but instead directs that the benefit be given to a family member, to a political party association, a charity or to any other person for the benefit of the official. As noted in the definition of “bribery” above, for purposes of this Policy, bribes paid to relatives and close associates of Public Officials are treated as though they were payments made to a Public Official and are therefore prohibited.

(e) For the Purpose of, or as Consideration for, an Act or Omission by the Official or Use of the Official’s Influence

This element addresses the “quid pro quo” aspect of corrupt acts. The CFPOA requires that the improper offer or payment occur in exchange for some sort of action or inaction (or promised action or inaction). The CFPOA prohibitions on improper payments to secure any improper advantage cover *virtually any improper payment in a business context*. For example, you must not offer, pay or authorize a payment of anything of value (directly or indirectly, including through a Third Party) to Public Officials to:

- obtain an important government licence or concession (e.g., a mining licence or an environmental permit);
- influence the award of a government contract for business (e.g., any supply contract in which a government agency, entity or body is the client or customer);
- prevent a government action, such as the imposition of a penalty or a fine or the cancellation of a government contract or government concession;
- obtain a reduced rate or special treatment with respect to customs, duties, levies or other import/export matters;
- obtain a reduced rate or special treatment with respect to taxation or labour matters; or,
- secure any undeserved or otherwise improper advantage from a Public Official.

It must be stressed that these are only examples and are not intended to be an exhaustive listing of all the kinds of payments to or actions by a Public Official that may constitute a violation of the CFPOA. Should any uncertainty arise regarding whether improper influence has been offered to the Company by a Public Official, contact the Anti-Corruption Compliance Officer.

(f) Advantage in the Course of Business

The terminology “in order to obtain or retain an advantage in the course of business” is intended to be of broad application and to cover bribes to secure business or any improper advantage in the course of business. This will therefore include any manner of



direct monetary gain, including being awarded a service or advisory contract, paying reduced customs, duties or levies, or receiving unlawfully preferential tax treatment. However, this will also include unlawful preferential treatment which does not directly or immediately consist of monetary gain, including favourable review by a government regulator or inspector, advantages in bid, tender or auction situations, or favourable legislative or regulatory treatment.

If you are asked by a Public Official or any individual to provide something of value in return for influencing an official act, inducing a decision to obtain, retain or direct business from or to any person or securing any improper advantage or special treatment, you must:

- decline or state that it is not within your authority to accommodate the Public Official or individual; and,
- immediately report the incident to the Anti-Corruption Compliance Officer (in writing).

If you become concerned that a Public Official is not operating within the scope of his or her duties, report it to the Anti-Corruption Compliance Officer. Protect yourself in any further dealings from allegations that you have offered improper consideration by bringing a witness to subsequent conversations.

(g) Payments to Protect Your Life and Safety are Permitted

When you face extortion demands that involve explicit or implicit threats to your personal life or physical safety, you may make payments which would otherwise be prohibited by this Policy. In such circumstances, these payments must be:

- recorded in the Company's books and records transparently and accurately as extortion payments made to preserve personal life or physical safety; and
- reported as quickly as reasonably practicable to the Anti-Corruption Compliance Officer.

The Company may also make payments to protect the life or physical safety of its employees and other personnel when it faces extortion demands or implicit threats relating to the personal life or physical safety of such persons. Again, these payments must be transparently and accurately recorded and reported as described above.

(h) Gifts, Meals and Entertainment

Gifts, meals, travel or entertainment provided to Public Officials can constitute bribes. Such gifts or benefits will be bribes where the gift or benefit was intended to influence the Public Official in order to obtain or retain an advantage in the course of business. The Company therefore takes a strict approach to the practice of providing gifts, meals, travel or entertainment to Public Officials.



All gifts, meals, travel and entertainment *of any value* provided by the Company, its subsidiaries or its or their representatives to Public Officials must receive the prior approval (in writing) of the Anti-Corruption Compliance Officer.

All gifts, meals, travel and entertainment *of any value* provided by the Company or its representatives to Public Officials must be *transparently and accurately* recorded in the Company's books and records and must be accompanied by *reasonable detail* describing the circumstances in which the gift, meal, travel or entertainment was provided.

(i) Business Expenditures

Notwithstanding anything to the contrary in this Policy, the payment of business expenses or other expenditures of Public Officials *of any value* by the Company or its representatives is not permitted without the prior approval (in writing) of the Anti-Corruption Compliance Officer.

All payments of business expenses or other expenditures of Public Officials *of any value* must be *transparently and accurately* recorded in the Company's books and records as the payment of such a business expenses or other expenditure and must be accompanied by *reasonable detail* describing the circumstances in which the payment was made.

(j) Political Involvement and Charitable Donations

No political donations or political contributions *of any value* may be made by the Company to any political party or politician (elected or campaigning) without the prior approval (in writing) of the Anti-Corruption Compliance Officer. The Company does not participate in party politics and persons subject to this Policy may not, in any manner, participate in politics on behalf of the Company. However, neither the Company nor this Policy restricts or prohibits you from participating in the political process as an individual citizen.

The Company's policy is not to make charitable donations that may be construed, characterized or interpreted as a bribe. All charitable donations *of any kind* and *of any value* must:

- be pre-approved (in writing) by the Anti-Corruption Compliance Officer,
- be transparently and accurately recorded in the Company's books and records, and
- must be accompanied by reasonable detail describing the circumstances in which the donation was made.
- In deciding whether to approve a charitable donation, the Anti-Corruption Compliance Officer must examine all circumstances related to the donation in consideration of all elements of the definition of bribery as detailed in Section C.2 above, including but not limited to:
 - the history and/or legitimacy of the charity or charitable cause,
 - the motivation for giving the charitable donation,



- the likely end to which to charitable donation will be put, directed or channelled, and
- any known or suspected connections or affiliations between the charity or charitable cause and a Public Official or a relative of a Public Official.
- Should uncertainty arise regarding whether a charitable donation would violate this policy, the Anti-Corruption Compliance Officer should be consulted.

4. Responsibilities

(a) Employees and Contractors

Employees and independent contractors retained by the Company or its subsidiaries and identified by the Anti-Corruption Compliance Officer as requiring anti-corruption training will be expected, as part of their normal duties, to do the following:

- closely familiarize themselves with this Policy and related policies; and,
- participate in any anti-corruption training provided by the Company.

The Company will provide training on this Policy and its associated anti-corruption standards, procedures and preventative measures to its officers and employees as the Anti-Corruption Compliance Officer determines is necessary and appropriate under the circumstances. The nature and frequency of the training will vary depending on the role and authority of the individual and the likelihood that such person will confront corruption risk. Except where expressly exempted by the Anti-Corruption Compliance Officer, training regarding this Policy and its principles, policies and procedures will be a requirement for any person with managerial responsibilities or managerial authority within the Company.

The employment or retention of individuals related to, dependent on, recommended by or requested by Public Officials, agents or other Third Parties can lead to a violation of this Policy and anti-corruption/conflict of interest laws. The Company will therefore take reasonable steps within its power to ensure that it, and Third Parties acting on its or its subsidiaries' behalf, do not hire or retain such employees and candidates without prudent due diligence being conducted on such employees and candidates in consideration of the principles, policies and prohibitions outlined in this Policy.

(b) Third Parties / Agents

It is a violation of this Policy to make any corrupt payments to Public Officials through Third Parties or to make any payment to a Third Party where there is any reason to believe that all or a portion of the payment will contribute to a bribe or other corrupt act involving a Public Official.

Prior to the Company or any subsidiary of the Company retaining, or entering into an agreement with, a Third Party (including agents and intermediaries), the Company shall satisfy itself regarding the propriety of the retainer in review and in consideration of the



principles, policies and prohibitions outlined in this policy, including but not limited to those considerations discussed in Section C.5.

In addition to the immediately aforesaid review and consideration, the Company and its subsidiaries will also take measures reasonably within their power to ensure that:

- all payments made to a Third Party represent no more than the amount outlined in the agreement with the Third Party and are appropriate remuneration for legitimate services rendered by such Third Party;
- no part of any such payments are passed on by the Third Party as a bribe or are otherwise in contravention of applicable laws or this Policy;
- they maintain a record of the names and contract terms for all Third Parties who are retained in connection with transactions with Public Officials; and
- they continue to monitor on an ongoing basis all Third Parties for compliance with the principles, policies and prohibitions outlined by this Policy, including but not limited to the exercise of audits rights included in Third Party agreements.

The Company and its subsidiaries must in all instances:

- inform Third Parties of their commitment to complying with anti-corruption laws and this Policy;
- take measures reasonably within their power to ensure that their business partners and other Third Parties comply with anti-corruption laws and practices; and,
- seek reciprocal compliance commitments from such Third Parties.

Any violation or suspected violation by such business partners, Third Parties or their representatives related to services performed for the Company or its subsidiaries or engagements in which the Company or its subsidiaries have an interest must be immediately reported to the Anti-Corruption Compliance Officer (in writing).

5. Risk Assessment and Due Diligence

Anti-corruption risk assessments will be conducted periodically as prudent to determine the level of controls necessary for a particular aspect of the Company's operations, including in relation to regulatory matters and all business development processes. Records and documentation must be kept of each risk assessment as part of the system of internal controls and record keeping. The Company will also conduct appropriate due diligence to ensure compliance with this Policy.

While the following list is not exhaustive, and while warning signs will vary by the nature of the transaction, expense/payment request, geographical market or business line, common warning signs that should be considered as part of any due diligence include:

- a Third Party has a poor reputation or has faced allegations of bribes, kickbacks, fraud or other wrongdoing or has poor or non-existent third-party references;



- that a Third Party has current business, family or some other close personal relationship with a Public Official, has recently been a Public Official or is qualified only on the basis of his influence over a Public Official;
- a Third Party refuses to agree to reasonable anti-corruption contractual terms, uses a shell company or other unorthodox corporate structure, insists on unusual or suspicious contracting procedures, refuses to divulge the identity of its owners, or requests that its agreement be backdated or altered in some way to falsify information;
- a Third Party does not have an office, staff or qualifications adequate to perform the required services;
- a Third Party requests unusual or excessive success based fees on commissions or requests large up-front payments;
- an expense/payment request by a Third Party is unusual, is not supported by adequate documentation, is unusually large or disproportionate to products to be acquired, does not match the terms of a governing agreement, involves the use of cash or an off-the-books account, is in a jurisdiction outside the country in which services are provided or to be provided, or is in a form not in accordance with local laws; or,
- a Public Official recommends or insists on the use of a certain business partner or Third Party.

In the early stages of any potential merger, acquisition or joint venture, the Anti-Corruption Compliance Officer will review and assess the appropriate level of due diligence requirements in order to ensure anti-corruption compliance is adequately considered and addressed in due diligence and integration efforts. Records and documentation must be kept of all such due diligence as part of the system of internal controls and record keeping.

6. Internal Controls and Record Keeping

As part of the Company's system of record keeping, the Company will maintain an effective system of internal controls to counter violations of this Policy, including financial and organizational checks and balances over the Company's accounting practices and other business processes.

The Company must make and keep books, records, and accounts, which, in reasonable detail, transparently, accurately and fairly reflect the transactions and dispositions of the Company's or its subsidiaries' assets. All transactions must be executed in accordance with management's general or specific authorizations. Transactions must be recorded as necessary to permit preparation of financial statements in conformity with applicable accounting principles and standards and to maintain accountability for assets. The internal controls must ensure that access to assets is permitted only in accordance with management's general or specific authorization and that recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. To the extent possible, all business partners of the Company or any of its subsidiaries should have in place internal



controls and procedures that fit these criteria and enhance compliance with this Policy, and the Company should encourage these practices.

The Company will maintain available for inspection accurate books and records, in reasonable detail, that transparently, accurately and fairly document all financial transactions, risk assessments and due diligence. For certainty, no person subject to this Policy shall:

- establish or maintain accounts which do not appear in any of the books and records that they are required to keep in accordance with applicable accounting and auditing standards;
- make transactions that are not recorded in those books and records or that are inadequately identified in them;
- record non-existent expenditures in those books and records;
- enter liabilities with incorrect identification of their object in those books and records;
- knowingly use false documents; or,
- intentionally destroy accounting books and records earlier than permitted by law.

To ensure the effectiveness of internal controls, business and finance personnel of the Company will review transactions and expense/payment requests for warning signs that signal an inadequate commercial basis or present excessive risks.

7. Reporting and Escalation

You must immediately report in accordance with the procedures set out in this Policy when you:

- uncover an instance of bribery;
- uncover suspicious accounting or record-keeping practices or documents which are suggestive of potential bribery;
- suspect that a bribe has been, or is in the process of being, paid or received or merely discussed; or
- receive or otherwise become aware of information which suggests that a bribe is in the process of being paid or received or merely discussed.

When you become aware of a breach of this Policy or suspect that a breach of this Policy has taken place, you must immediately report all relevant information (in writing) to the Anti-Corruption Compliance Officer.

All reports will be treated in confidence. Every effort will be made to provide anonymity if it is requested, consistent with legal requirements to report to appropriate legal authorities or comply with investigations. Once you have reported a suspicion or concern to the Anti-Corruption Compliance Officer, the matter should not be discussed with any person other than those responsible for investigating it until otherwise notified or the information is made public.

You are entitled to raise concerns about the violations or potential violations of this Policy in confidence and without risk of reprisal. Retaliation by anyone as a consequence of anyone



making a good faith report of a possible violation of the law or this Policy is strictly prohibited. You will not suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in the Company losing business.

D. REFERENCES

n/a