

Iskander Energy Corp. ("Iskander" or the "Corporation")

ANTI-CORRUPTION POLICY RELATING TO PUBLIC OFFICIALS

(Approved by the Board of Directors on November 13, 2012)

Introduction

Iskander and its subsidiaries are committed to strict compliance with all applicable anti-corruption legislation and to maintaining the highest ethical standards in their business dealings and relationships with Public Officials. Iskander's commitment is set out in this Anti-Corruption Policy Relating to Public Officials (this "**Policy**").

In this Policy, any reference to "you" means any person subject to this Policy.

This Policy is intended to provide you with basic knowledge and concepts relating to the bribery of Public Officials. This Policy cannot and will not provide definitive answers to every bribery related question. Instead, this Policy aims to provide you with the tools to identify potential bribery issues. When these issues arise, immediately contact the Compliance Officer for further guidance.

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

Interpretation/Definitions

"Associated Entities" includes, but is not limited to agents and intermediaries, consultants, representatives, distributors, teaming partners, contractors and suppliers, consortia, joint venture partners or any other outside parties acting on behalf of Iskander (individuals or organizations).

"Chairmen" means the collectively the Chairman of Iskander Board of Directors and Chairman of the Audit Committee.

"Compliance Officer" means the Chief Executive Officer (the "**CEO**") of Iskander.

"Corruption" involves the misuse of power by someone to whom it has been entrusted, for personal gain.

"Facilitation Payments" are typically small, unofficial payments made to secure or expedite a routine action or service to which an individual or company is routinely and otherwise legally entitled. Such payments do not involve discretionary decisions by Public Officials and are only made to expedite actions that should be performed in any event. Discretionary decisions by Public Officials to award new business or to continue business with a particular entity and discretionary decisions regarding compliance with laws, regulations and codes (including building codes) are not routine in nature and therefore payments relating to these types of decisions are not Facilitation Payments.

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

- a) an officer, agent or employee (or a person otherwise acting in an official capacity for or on behalf of) of a government, or department, agency or instrumentality (such as a state-owned corporation) of such government or a public international organization (such as the United Nations);
- b) a person who holds a legislative, administrative or judicial position in a government;
- c) a political party or party official;

- d) a candidate for political office;
- e) 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; or
- f) a relative or close associate of the persons referred to above.

Scope of Policy

This Policy extends across all of Iskander's business dealings and in all countries and territories in which Iskander operates. This Policy applies to everyone at Iskander Energy Corp. (the "**Corporation**"), including employees, officers, directors and any contractors or consultants representing or acting on behalf of the Corporation (collectively, "**Iskander Representatives**") regardless of their position in our organization, at all times and everywhere we do business. It is the responsibility of Iskander Representatives to understand this Policy and to seek help from the Compliance Officer when there is any question or doubt as to how these rules apply in a given situation.

Exceptions to this Policy may be granted only with the written approval of Iskander's Board of Directors. In the event where the strict interpretation and application of this Policy were to result in a absurd or unintended result, the Chairmen shall be consulted for appropriate application and judgement and they will report back to the Compliance Officer with appropriate interpretations or application.

Statement of Policy

Bribery is strictly prohibited. Iskander has a zero tolerance approach toward bribery and corruption of Public Officials. You must comply with all Canadian/United States anti-corruption laws and all other applicable anti-corruption laws. Although a particular action may be lawful under Canadian or U.S. law, it might not be lawful under the local laws and regulations of a particular foreign country, and vice versa.

For purposes of this Policy "bribery" is defined in reference to the *Corruption of Public Officials Act* (Canada) ("**CFPOA**") and the *Foreign Corrupt Practices Act* (United States) ("**FCPA**"), as:

- a payment, offer, promise or authorization of the payment of anything of value;
- given directly or indirectly to (a) a Public Official, (b) to any person for the benefit of a Public Official; or (c) to any person knowing that all or a portion of such thing of value will be offered, given or promised, directly or indirectly, to any Public Official;
- for the purpose of (or as consideration for):
 - influencing any act or decision of such official in his or her official capacity;
 - inducing such official to do or omit to do any act in violation of the lawful duty of such official;
 - securing any improper advantage;
 - inducing such official to use his or her position to influence any acts or decisions of the foreign state, public international organization or other organization for which the official performs duties or functions;

- in order to obtain or retain an advantage in the course of business.

The following sections describe the above elements of the definition of bribery in detail.

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. "Anything of value" should be interpreted broadly to include anything (whether monetary or non-monetary) that provides a benefit 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.

Given Directly or Indirectly

This definition of bribery covers bribes given directly to a Public Official or indirectly through third parties (e.g. agents) or other means (e.g. share offerings).

Public Official, Person for the Benefit of a Public Official, or Knowing that Thing of Value will be offered to 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 and international organizations, including low-ranking employees of a government and government controlled entities and consultants who hold government positions. It is often difficult to determine whether a person (or entity) is a Public Official. You should contact the Compliance Officer if you are unsure whether a particular person is a Public Official.

This definition of bribery also 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, or to any other person for the benefit of the official. As noted in the definition section, 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. Likewise, this definition of bribery covers the situation where a payment of anything of value is made to a third party and the person making the payment knows, believes, suspects, is aware or has information that would indicate that any part of such payment will be offered, given or promised, directly or indirectly, to a Public Official.

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 acts of bribery. The FCPA and CFPOA require that the improper payment or offer occur in exchange for some sort of action or inaction (or promised action or inaction). The FCPA and CFPOA prohibitions on improper payments to secure any improper advantage cover virtually any improper payment in a business context. For example, you must not pay, offer or authorize a payment of anything of value (directly or indirect) to Public Officials to:

- a) obtain an interest in a block or otherwise acquire exploration or production interests;
- b) prevent a government action, such as the imposition of a fine or cancellation of a government contract;
- c) obtain a license or other authorization from the government;

- d) obtain the right to open an office or secure a zoning ruling;
- e) influence the award of a government contract; or
- f) secure any other improper advantage from a Public Official.

It must be stressed that the above examples are only examples and are not intended to set out all the types of payments that may violate the FCPA and the CFPOA.

Advantage in the Course of Business

An "advantage in the course business" should also be interpreted broadly to cover bribes intended to secure or retain business or improper advantages in the course of business.

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, 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 Compliance Officer (in writing), who may consult with the Chairmen and other such directors and advisors, as deemed appropriate, to determine the appropriate action to be taken.

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

Facilitation Payments Are Prohibited Except in Limited Circumstances

Although some countries provide a narrow exception for Facilitation Payments in their anti-corruption legislation, Facilitation Payments are risky for Iskander and its personnel because, even when such payments are technically legal, they can easily be construed as bribes and/or lead to allegations of bribery. In many jurisdictions, Facilitation Payments are not legal under the local laws.

For these reasons, Facilitation Payments are prohibited under this Policy unless approval for the payment is obtained (in writing) from the Compliance Officer. The Compliance Officer may only approve a facilitation payment where the following conditions are satisfied:

- a) the payment does not violate U.S. or Canadian law, as interpreted and enforced, or any anti-corruption legislation applicable to Iskander;
- b) the payment is made to expedite or secure routine government action (that does not involve any discretion on the part of the Public Official) to which Iskander is legally entitled;
- c) the payment is lawful under applicable foreign law, as locally interpreted and enforced;
- d) the payment is customary in the country where the payment is made;
- e) the payment is small; and
- f) the payment is accurately recorded as a facilitation payment in Iskander's books and records.

When Iskander Representatives encounter demands for facilitation or other similar payments they should immediately report the incident (in writing) to the Compliance Officer, who may consult with the Chairmen and such other directors and advisors as deemed appropriate. All requests for Facilitation Payments must be reported in this manner.

Payments to Protect your Safety are Permitted

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

- a) recorded in Iskander's books and records accurately as extortion payments made to preserve personal safety; and
- b) reported as quickly as reasonably practicable to the Compliance Officer, who will immediately consult with the Chairmen and other such directors and advisors, as deemed appropriate, to determine the appropriate action to be taken.

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

Gifts, Meals and Entertainment

Gifts, meals and entertainment provided to Public Officials can constitute bribes. Such gifts or benefits will be considered to be bribes where it appears the gift or benefit was intended to influence the recipient in order to obtain or retain an advantage in the course of business. Therefore, gifts, meals, and entertainment must not be given to Public Officials as a reward or encouragement for preferential treatment or provided, directly or indirectly, with the intention of obtaining, retaining or directing business from or to any person or securing any improper advantage.

In certain limited circumstances, customary gifts and reasonable expenses for meals and entertainment may be provided to Public Officials; however a pattern of providing frequent gifts/meals/entertainment to a Public Official is problematic. Any such gifts or benefits should be modest and reasonably related to the nature of the business relationship. Good judgment is required when making such gifts and paying such expenses, taking into account all relevant factors, including local custom and context and the appearance and character of the gift, meal or entertainment. You should not provide gifts, meals or entertainment to Public Officials unless it is legal and customary in the relevant country and unless such gift, meal or entertainment is reasonable and not excessive in amount or frequency. In no case may you provide gifts or benefits in money or cash equivalents.

All gifts, meals and entertainment provided to or received from Public Officials must be reported to the compliance officer and must be properly documented in Iskander's books and records. If the value of the gift, meal or entertainment exceeds \$200, you must obtain prior approval from the compliance officer (in writing) before giving or receiving such gift or benefit.

Bona Fide Business Expenditures

Payment of reasonable and bona fide business expenditures to Public Officials is permitted in certain circumstances. These expenditures must be for a *bona fide* and legitimate business purpose and directly relate to the legitimate promotion, demonstration or explanation of Iskander's business products or services, or the execution or performance of a contract with a foreign government or agency. Such payments must be reasonable and appropriate under the circumstances, incurred in good faith, based on industry norms, in compliance with applicable laws and transparent. Any such expenses (including travel) must be pre-approved by the Compliance Officer (in writing) and accurately recorded in Iskander's books and records.

Political Involvement and Charitable Donations

Iskander does not participate in party politics and does not make contributions to political parties or politicians. Persons subject to this Policy may not, in any manner, participate in politics on behalf of Iskander. Of course, Iskander does not restrict or prohibit you from participating in the political process as an individual citizen.

Iskander's policy is not to make charitable donations or sponsorships that might be construed or characterized as a bribe. Sponsorships must be transparent and documented in an agreement with the relevant organization and must be accurately recorded in Iskander's books and records.

Top Level Commitment, Review, Oversight and Training

The Board of Directors of Iskander is committed to this Policy and will provide the necessary leadership, resources and active support for management's implementation of this Policy.

The CEO is responsible for the implementation and oversight of this Policy, ensuring it is carried out consistently with clear lines of authority. The CEO shall regularly report to the Chairmen of Audit Committee and the Board of Directors concerning the implementation and effectiveness of this Policy.

The Chairmen are responsible for reviewing the adequacy of this Policy and regularly reporting on its implementation and matters arising thereunder to the Board of Directors of Iskander taking into account relevant developments and evolving international laws and industry standards. The Chairmen will oversee the development, maintenance and testing of Iskander's anti-corruption standards and procedures designed to evaluate and improve their effectiveness.

Iskander's commitment to this Policy will be reflected in human resources practices including recruitment, promotion, training, performance evaluation, remuneration and recognition.

Iskander will provide training on this Policy and its associated anti-corruption standards, procedures and preventative measures to its officers and employees as it determines is necessary and appropriate under the circumstances. The nature and frequency of the training will vary depending on the role of the individual and the likelihood that such person or entity will confront corruption issues. The nature and timing of such training will be established by the Compliance Officer, in consultation with the Chairmen from time to time.

Iskander's executives, officers, managers and employees must ensure that they complete any anti-corruption training that they are required to undertake as directed by Iskander's Board of Directors and management, from time to time. Non-executive directors must be aware of expectations and responsibilities under the Policy.

Employees and Contractors

Employees and contractors are expected, as part of their normal duties, to do the following:

- a) familiarize themselves with this Policy and related policies;
- b) participate in any anti-corruption training provided by Iskander;
- c) familiarize themselves with and comply with any policy and procedure manuals which apply to their jobs; and
- d) immediately report any actual or suspected bribe, allegation of bribery made by a third party or breaches of policies and procedures which come to their attention in accordance with the Reporting and Escalation section below.

Associated Entities /Agents

It is a violation of this Policy to make any corrupt payments through Associated Entities 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 go towards a bribe.

Prior to Iskander retaining, or entering an agreement with, an Associated Entity (including agents and intermediaries), Iskander's management and legal counsel shall conduct appropriate risk-based due diligence which may include, researching and documenting in writing the reputation, background and past performance of the prospective Associated Entity as appropriate in the following areas: management information, ownership information, affiliations, qualifications, financial information, reputation, references, compliance with local law and compensation. In addition, prior to retaining or entering an agreement with an Associated Entity, the manager or other officer proposing retention of an Associated Entity must certify that appropriate due diligence has been conducted, that relevant persons from the Associated Entity have been interviewed and that there is no reason to believe that the Associated Entity has violated or will violate this Policy.

Following the above due diligence, Iskander may only retain an agent, intermediary or other similar Associated Entity with approval from Iskander's Compliance Officer and the Chairmen.

Relationships with Associated Entities must be fully and appropriately documented using terms and conditions approved by the Compliance Officer that may include obligations to comply with (and a right to terminate for breach of) anti-corruption laws and/or this Policy, prohibitions against making or receiving any bribes on Iskander's behalf, anti-corruption related representations and warranties, requirements to keep proper books and records and the right to conduct audits of the books and records. Iskander should in all instances inform Associated Entities of its commitment to complying with anti-corruption laws and this Policy, take measures reasonably within its power to ensure that its business partners and other Associated Entities comply with anti-corruption laws and practices, and seek reciprocal compliance commitments from such Associated Entities. Any violation by such business partners, Associated Entities or their representatives related to services performed for Iskander or assets in which Iskander has an interest must be immediately reported to the Compliance Officer (in writing), who will consult with the Chairmen and other such directors and advisors, as deemed appropriate, to determine the appropriate action to be taken.

In particular, Iskander will take measures reasonably within its power to ensure that:

- a) any payment made to an Associated Entity represents no more than the amount outlined in the written agreement with the Associated Entity and is an appropriate remuneration for legitimate services rendered by such Associated Entity;
- b) no part of any such payment is passed on by the Associated Entity as a bribe or is otherwise in contravention of applicable laws or this Policy; and
- c) it maintains a record of the names and contract terms for all Associated Entities Associated Entities who are retained by it in connection with transactions with Public Officials;

The employment or retention of individuals related to, dependent on, recommended by or requested by Public Officials, agents or other Associated Entities can lead to a violation of this Policy and anti-corruption/conflict of interest laws. Iskander will take reasonable steps within its power to ensure that it, and Associated Entities acting on its behalf, do not hire or retain such employees and candidates without sufficient due diligence being conducted on such employees and candidates.

Risk Assessment and Due Diligence and Warning Signs

Standard business risk assessments will be conducted periodically to determine the level of controls necessary for a particular aspect of Iskander's operations, including in relation to procurement and tender processes. Specific policies and procedures will be adapted and implemented to proportionately address risks as they arise. Records and documentation must be kept of each risk assessment as part of the system of internal controls and record keeping.

Iskander will conduct appropriate due diligence to inform risk assessments and ensure compliance with this Policy.

While the list is not exhaustive, and 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) that an Associated Entity 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;
- b) a Public Official recommends or insists on the use of a certain business partner or Associated Entity;
- c) an Associated Entity refuses to agree to 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;
- d) an Associated Entity has a poor reputation or has faced allegations of bribes, kickbacks, fraud or other wrongdoing or has poor or non-existent third-party references;
- e) an Associated Entity does not have an office, staff or qualifications adequate to perform the required services; or
- f) an expense/payment request by an Associated Entity 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.

In the early stages of any potential merger or acquisition, the 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 due diligence as part of the system of internal controls and record keeping.

Reporting and Escalation

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

- a) uncover an instance of bribery;
- b) suspect that a bribe has been, or is in the process of being, paid or received or merely discussed; or

- c) 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 or suspect that bribery or a breach of this Policy has taken place, you must immediately report that information (in writing) to the Compliance Officer. Reports of non-compliance with this Policy must be escalated by the Compliance Officer to the Chairmen and Iskander's Board of Directors.

All reports will be treated in confidence and fully investigated with legal counsel when instances of potentially criminal activity are suspected. 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 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 will not suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in Iskander losing business.

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 Iskander personnel or Associated Entities making a good faith report of a possible violation of the law or this Policy is strictly prohibited.

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

Internal Control and Record Keeping

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

Iskander must make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of Iskander's 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 International Financial Reporting 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 Iskander should have in place internal controls and procedures that fit these criteria and enhance compliance with this Policy, and Iskander should encourage these practices.

Iskander will maintain available for inspection accurate books and records, in reasonable detail, that accurately and fairly document all financial transactions, risk assessments and due diligence.

The use of false documents and invoices is prohibited, as is the making of inadequate, ambiguous or deceptive bookkeeping entries and any other accounting procedure, technique or device that would hide or otherwise disguise illegal payments. There must be no off-the-books or secret accounts.

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

Approved by the Board November 13, 2012