

ITERATION ENERGY LTD.

(the “Company”)

TREATMENT OF COMPLAINTS POLICY

I. PURPOSE:

Iteration Energy Ltd.’s Code of Business Conduct (the “Code”) requires directors, officers, employees and contractors/consultants to observe high standards of business and personal ethics in the conduct of their duties and responsibilities to the Company. As employees and representatives of the Corporation, they must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

II. SCOPE:

It is the responsibility of all directors, officers, employees and contractors/consultants to comply with the Code and to report violations or suspected violations in accordance with this Policy.

III. POLICY:

A. Responsibilities of Audit Committee With Respect to Specified Complaints

1. The Audit Committee shall receive, retain, investigate and act on complaints and concerns of employees, shareholders and members of the public (“**Reports**”) regarding:
 - (a) accounting, internal accounting controls and auditing matters, including those regarding the circumvention or attempted circumvention of internal accounting controls or that would otherwise constitute a violation of the Company’s accounting policies (an “**Accounting Allegation**”);
 - (b) compliance with legal and regulatory requirements and the Code (a “**Legal Allegation**”); and
 - (c) retaliation against employees who make Accounting Allegations or Legal Allegations (a “**Retaliatory Act**”).
2. In the discretion of the Audit Committee, responsibilities of the Audit Committee created by these procedures may be delegated to the Chair of the Audit Committee, under the continued supervision of the Audit Committee and the Board.

B. Procedures for Receiving Reports

1. Any Report that is made directly to management, whether openly, confidentially or anonymously, shall be promptly reported to the Audit Committee.
2. Each Report forwarded to the Audit Committee by management and each Report that is made directly to the Audit Committee, whether openly, confidentially or anonymously, shall be reviewed by the Audit Committee, who may, in their discretion, consult with any member of management and who may have appropriate expertise or knowledge to assist the Audit Committee. The Audit Committee shall determine whether the Audit Committee or management should investigate the Report, taking into account the considerations set forth in Section C below.
 - (a) If the Audit Committee determines that management should investigate the Report, the Audit Committee will notify the Chief Executive Officer in writing of that conclusion. Management shall thereafter promptly investigate the Report and shall report the results of its investigation, in writing, to the Audit Committee. Management may, subject to prior approval of budgeted costs by the Audit Committee, engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.
 - (b) If the Audit Committee determines that it should investigate the Report, the Audit Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Audit Committee shall be free in its discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

C. Considerations Relative to Whether the Audit Committee or Management Should Investigate a Report

In determining whether management or the Audit Committee should investigate a Report, the Audit Committee shall consider, among other factors that are appropriate under the circumstances, the following:

1. Who is the alleged wrongdoer? If an executive officer, senior financial officer or other member of senior management is alleged to have engaged in wrongdoing, that factor alone may support a decision by the Audit Committee to conduct the investigation.
2. How serious is the alleged wrongdoing? The more serious the alleged wrongdoing, the more appropriate that the Audit Committee should undertake the investigation. If the alleged wrongdoing would constitute a crime involving the integrity of the financial statements of the Company, that

factor alone may support a decision by the Audit Committee to conduct the investigation.

3. How credible is the allegation of wrongdoing? The more credible the allegation, the more appropriate that the Audit Committee should undertake the investigation. In assessing credibility, the Audit Committee should consider all facts surrounding the allegation, including but not limited to whether similar allegations have been made in the press or by analysts.

D. Protection of Persons who reports a Breach of Ethics

The Audit Committee shall not retaliate, and shall not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who, in good faith, makes an Accounting Allegation or Legal Allegation, reports a Retaliatory Act or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating a Report. The Audit Committee shall not, unless compelled by judicial or other legal process, reveal the identity of any person who makes an Accounting Allegation or Legal Allegation or reports a Retaliatory Act and who asks that his or her identity as the person who made such Report remain confidential and shall not make any effort, or tolerate any effort made by any other person or group, to ascertain the identity of any person who makes a Report anonymously.

E. Records

The Audit Committee shall retain for a period of seven years all records relating to any Accounting Allegation or Legal Allegation or report of a Retaliatory Act and to the investigation of any such Report. The types of records to be retained by the Audit Committee shall include records of all steps taken in connection with the investigation and the results of any such investigation.

F. Procedures for Making Complaints

In addition to any other avenue available to an employee, shareholder, contractor/consultant or member of the public, any such person may report to the Audit Committee, or any member thereof, openly, confidentially or anonymously any Accounting Allegation or Legal Allegation or report of a Retaliatory Act. Accounting Allegations, Legal Allegations and reports of a Retaliatory Act can be made orally or in writing to the Chair of the Audit Committee, or any member thereof. Such Reports can also be made directly to management, confidentially, by contacting the Chief Executive Officer in writing or in person.

In order to facilitate open communications, management will publish for employees on its internal phone lists and for others on its website and shareholder reports, the contact information of the members of the Audit Committee to facilitate confidential communications.