

INSIDER TRADING POLICY

The Need for a Policy Statement

The purchase or sale of securities while possessing material non-public (“insider”) information, or the selective disclosure of such information to others who may trade, is prohibited by law. As an essential part of work, directors, officers and employees and/or relatives of such persons may have access to material non-public information about **UNITED PARAGON MINING CORPORATION** (the “Company”) or about the Company’s business (including information about other companies with which the Company does or may do business). The Company has adopted this Policy Statement to avoid even the appearance of improper conduct on the part of any Company employee (not just so-called insiders). All Company employees have worked hard over the years to establish a reputation for integrity and ethical conduct. This Policy Statement is designed to further the reputation of the Company and each employee for integrity and good corporate citizenship.

Policy

No director, officer, employee or relative of such person who has material non-public information relating to the Company, may buy or sell securities of the Company, directly or indirectly, or engage, in any other action to take personal advantage of that information, or pass on such information to others. This Policy also applies to information obtained in the course of employment and relating to any other company with which the Company may have done or will do business with, including customers or suppliers. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are no exception. Even the appearance of an improper transaction must be avoided to preserve the Company’s reputation for adhering to the highest standards of conduct.

Liability of Supervisory Persons

The Company, as well as a director, officer or other Company manager, is subject to liability under the securities laws if the Company or such person knew, or recklessly disregarded, the fact that a person directly or indirectly under the Company’s or such person’s control was likely to engage in insider trading and failed to take appropriate steps to prevent such an act before it occurred. The penalties for such inaction can be significant.

If material non-public information is inadvertently disclosed, no matter what the circumstances, by any Company director, officer, employee, or their relatives, the person making or discovering that disclosure should immediately report the facts to the President, the Corporate Secretary or the Audit Committee.

Definition of Material Non-public Information

“Material” information is any information that a reasonable investor would likely consider important in a decision to buy, hold, or sell stock. In short, any information which could reasonably affect the price of the stock.

“Non-public” information is any information which has not been disclosed generally to the public via the exchange or media. Information about the Company that is not yet in

general circulation should be considered non-public. Similarly, information received about another company in circumstances indicating that it is not yet in general circulation should be considered non-public. All information that directors, officers and employees learn about the Company or its business plans in connection with their appointment or employment is potentially “insider” information until publicly disclosed or made available by the Company. All such information should be treated as confidential and proprietary to the Company. Directors, officers and employees shall not disclose it to others, such as family, relatives, business or social acquaintances, who do not need to know it for legitimate business reasons. If this non-public information is also “material”, directors, officers and employees are further required by law and this Policy to refrain from trading and from passing the information on to others who may trade.

Common examples of information that will frequently be regarded as material, assuming the same has not been publicly disclosed by the Company, are projections of future earnings or losses, or financial liquidity problems, major marketing changes, news of a pending or proposed joint venture, merger, acquisition or tender offer, news of a significant sale of assets or the disposition of a subsidiary, changes in dividend policies or the declaration of a stock split or the offering of additional securities, changes in management, major personnel changes, significant new products or discoveries, significant litigation or government investigations, or the gain or loss of a substantial customer or supplier.

Note that if securities transactions become the subject of scrutiny, they will be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction, directors, officers and employees should carefully consider how regulators and others might view the transaction in hindsight.

Transactions by Family Members

The same restrictions above apply to immediate family members and others living in the household. Directors, officers and employees are expected to be responsible for the compliance of their immediate family and personal household.

Tipping Information to Others

Whether the information is proprietary information about the Company or information that could have an impact on the price of the Company’s securities, directors, officers and employees must not pass the information on to others, including family members and others living in their household or friends and casual acquaintances. Directors, officers and employees are expected to be responsible for the compliance of their immediate family and others living in their households. The appropriate penalties shall apply whether or not the director, officer or employee derived any benefit from another’s actions.

Accordingly, directors, officers and employees should not respond to inquiries from outsiders and should refer all such inquiries to the corporate officer designated in writing to respond to such inquiries.

Timing

It would be improper for any director, officer or employee to enter a trade immediately after the Company has made a public announcement of material information, including earnings releases, because the Company’s shareholders and the investing public should

be afforded the time to receive the information and act upon it. As a general rule, directors, officers and employees should not engage in any transaction until after two (2) full business days from release of material information.

Trading During Window Periods

Investment by Company directors, officers and employees in the Company's securities is encouraged. The most appropriate periods to buy or sell the Company's securities is the period beginning on the third business day and ending on the twelfth business day following the release of quarterly or annual financial results (so-called "window periods"). In general, this is the period when there should be the least amount of inside information about the Company that is unavailable to the investing public. It is permissible to trade at other times. However, directors, officers and employees may not buy or sell the Company's securities even during window periods if they are in possession of material non-public information.

Company Assistance

Any person who has any questions about specific transactions may obtain additional guidance from the Corporate Secretary. However, the ultimate responsibility for adhering to this Policy and avoiding improper transactions rests with directors, officers and employees. It is imperative that directors, officers and employees use their best judgment.

Trades by Director, Officers, and Certain Other Personnel

To provide assistance in preventing inadvertent violations to ensure compliance with timely reporting, and to avoid even the appearance of an improper transaction (which could result, for example, where an officer engages in a trade while unaware of a pending major development), the procedure set forth below must be followed by directors, officers (including all persons reporting directly to the officers), and employees who may have access to material non-public information.

All transactions in securities of the Company (acquisitions, dispositions, transfers, etc.) by any member of the above-mentioned groups must be coordinated with the Office of the Corporate Secretary. In addition to preventing transactions on material non-public information, coordination of all trades by reporting individuals (i.e. directors, officers, and 10% beneficial owners) will help to assure timely disclosure by such individuals in SEC Form 23-A/B with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC). Coordination of all trades will also enable the Company's directors, officers, and 10% beneficial owners to avoid violations of the short-swing profit provisions of Section 23.2 of the Securities Regulation Code (SRC). Under this rule, insiders can be required to disgorge any profits realized from the purchase and sale (or sale and purchase) of any equity security of the Company within a period of less than six months.