



WHISTLEBLOWER POLICY

INTRODUCTION

Heritage Resource LP (“Heritage” or the “Company”) is committed to conducting its business ethically and legally. This Whistleblower Policy (the “Policy”), is to provide an effective, consistent and appropriate procedure for reporting incidents that potentially violate the Company’s Code of Conduct (the “Code”) and any related policies, practices, guidelines, as approved by the Advisory Board Members (the “Board”) and senior management from time to time.

This Policy addresses the commitment of Heritage and the Board to act with integrity and demonstrate ethical behaviour by helping to foster and maintain an environment where employees can act appropriately, without fear of retaliation. Employees are urged to discuss with managers, senior management or other appropriate personnel when they have a concern about a violation of the Code of Conduct.

PURPOSE

The purpose of this Policy is to provide an environment where open communication is available to all current and former employees, and external third parties or contractors and the general public to disclose any wrongdoing or violation regarding accounting, internal accounting controls, auditing matters or adverse employment action that may affect the Company or its employees.

DEFINITIONS

For purposes of this Policy:

- A. **“Whistleblowing”** Whistleblowing can be described as giving information about potential illegal and/or dishonest practices (i.e. wrong-doing.)
- B. **“Adverse Employment Action”** Adverse employment action is defined as any negative consequence to an employee, as a result of an employee’s report of wrongdoing, and would include, but not limited to, demotion, suspension, termination, transfer to a lesser position, denial of promotions, denial of benefits, threats, harassment or denial of compensation, or any manner of discrimination against an employee in the terms and conditions of employment.
- C. **“Good Faith”** Good faith is evident when the complaint is made without malice or consideration of personal benefit and the individual(s) has a reasonable basis to believe that the complaint is true; provided, however, a complaint does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false.
- D. **“Wrongdoing”** Examples of wrongdoing include, but are not limited to, financial fraud and accounting fraud, knowing violation of laws and regulations regarding accounting, internal accounting controls or auditing matters; and involves any unlawful or illegal behavior that could include the following:
 - o An unlawful act including both civil and/or criminal;

- Breach of or failure to implement or comply with any Company policy;
- Knowingly breaching mandatory federal or provincial regulations;
- Unprofessional conduct;
- Questionable accounting or auditing practices;
- Dangerous practice likely to cause physical harm or damage to any person or property;
- Failure to rectify or take reasonable steps to report a matter likely to give rise to a significant or avoidable cost or loss to the Company;
- Abuse of power or authority for any unauthorized or ulterior purpose;
- Unfair discrimination during employment or provision of services.

REPORTING RESPONSIBILITY

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

NO RETALIATION

No director, officer or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Company prior to seeking resolution outside the Company.

REPORTING VIOLATIONS

The Code addresses the Company's open-door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's manager is in the best position to address an area of concern.

However, if you are not comfortable speaking with your manager or you are not satisfied with your manager's response, you are encouraged to speak with someone in senior management whom you are comfortable in approaching. Managers are required to report suspected violations of the Code to the Company's Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations.

WHISTLEBLOWER HOTLINE

Alternatively, if a person is uncomfortable reporting a potential violation in the manner described above, the complainant is encouraged to utilize the Company's Whistleblower Hotline, which allows a Complainant to anonymously report concerns to the Compliance Officer. The purpose of the hotline is to provide a mechanism by which concerns can be discussed in a confidential anonymous manner.

The **ConfidenceLine**, an independent third party ethics reporting Hotline service, can be reached by phone at (800) 661-9675 or submit an anonymous report via the ConfidenceLine e-web by logging onto www.heritageroyalty.confidenceline.net

COMPLIANCE OFFICER

The Company's Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code. The Compliance Officer is required to report to the Heritage Advisory Board regularly. The Company's Compliance Officer is the Chair of the Advisory Board.

ACCOUNTING AND AUDITING MATTERS

The Audit Committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the committee until the matter is resolved.

ACTING IN GOOD FAITH

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that are not substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

PROTECTION OF WHISTLEBLOWERS AND OTHER INDIVIDUALS

Any employee who makes a disclosure or raises a concern under this policy will be protected if the employee discloses the information in good faith, believes it to be substantially true, does not act maliciously or make false allegations, and does not seek any personal or financial gain.

The Company will make good faith efforts to protect the confidentiality of individuals making complaints, however, the Company or its employees and agents will be permitted to reveal the individual's identity and confidential information to the extent necessary to permit an effective investigation, or as required by law.

The Company will not tolerate any effort by any other employee or employee group, to ascertain the identity of any person who makes allegation anonymously.

Consistent with the policies of the Company, the Company will not retaliate, and will not tolerate any retaliation by management or any other employee or employee group, directly or indirectly, against anyone who makes an allegation of wrongdoing or provides assistance to management or any other person or group, including any governmental, regulatory or law enforcement body, investigating such an allegation.

HANDLING OF REPORTED VIOLATIONS

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation within five business days. All reports will be promptly investigated, and appropriate corrective action will be taken as required.