



ARSENAL
R E S O U R C E S

**Code of
Business
Conduct
and Ethics**

February, 2017



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Introduction - Our Core Values

Arsenal Resources is built upon a foundation of strong corporate values and business practices. We are fully committed to serving our customers and employing individuals with personal standards consistent with that of our company standards.



We are all responsible for doing the right thing

Our Code of Business Conduct and Ethics is designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents we file with regulatory agencies and in our other public communications;
- Compliance with applicable laws, rules, and regulations;
- The prompt internal reporting of violations of this Code; and
- Accountability for adherence to this Code.

Our Code applies to all directors, officers, and employees of the Company and its subsidiaries. Agents and contractors of the Company are also expected to read, understand, and abide by this Code.

This Code should help guide your conduct in the course of our business. Many of the principles described in this Code are, however, general in nature, and the Code does not cover every situation that may arise. Use common sense and good judgment in applying this Code. If you have any questions about applying the Code, it is your responsibility to seek guidance. This Code is not the exclusive source of guidance and information regarding the conduct of our business. You should consult applicable policies and procedures in specific areas as they apply.

This Code is not intended to cover every issue or situation an employee, officer or director may encounter at the Company. Our Code should be used as a guide in addition to other Arsenal Resources policies and guidelines.

Chief Compliance Officer

The Chief Compliance Officer (“CCO”) is responsible for establishing procedures related to the implementation and enforcement of the Code. The CCO in conjunction with the Chief Executive Officer (“CEO”) have full authority to establish enforcement mechanisms and to decide disciplinary action for violations of the Code.

Our Responsibilities

As an Arsenal Resources employee, you are expected to comply with both the letter and the spirit of our Code. This means you must understand and comply with all of our policies, laws and regulations that apply to your job, even if you feel pressured to do otherwise. Our Code also requires you to seek guidance if you have questions or concerns and to cooperate fully in any investigation of suspected violations of the Code that may arise in the course of your employment. Periodically, you may be asked to provide a written certification that you have reviewed and understand Arsenal Resources’ Code of Business Conduct and Ethics, comply with its standards, and are not personally aware of any violations of the Code by others. This certification is your pledge to live up to our Code and its expectations and to promptly raise concerns about any situation that you think may violate our Code. Employees who violate our Code put themselves, fellow employees, and our company at risk and are subject to disciplinary action up to and including termination of employment.

Employees who supervise others have an important responsibility to lead by example and maintain the highest standards of behavior. If you supervise others, you should create an environment where employees understand their responsibilities and feel comfortable raising issues and concerns without fear of retaliation. If an issue is raised, you must take prompt action to address the concerns and correct problems that arise. You must also make sure that each employee under your supervision understands our Code and the policies, laws and regulations that affect our workplace. Most importantly, you must ensure that employees understand that business performance is never more important than ethical business conduct.

Q & A

What should I do if my boss asks me to do something I think is wrong?

Q Suppose my boss asks me to do something that I think is wrong. What should I do?

A Arsenal Resources relies on you to use your best ethical judgment. Therefore, do not do anything that you believe may be wrong. A first course of action may be to express your concerns directly to your supervisor. If you feel your supervisor has not adequately addressed your concerns or if you are uncomfortable raising the issue with your supervisor, you can take further steps to resolve this issue by speaking to others listed in ‘Asking Questions and Reporting Concerns,’ or informally and confidentially with the General Counsel’s Office. The important thing is to not take any action that you know or believe to be against the Code of Business Conduct and Ethics.

What happens when acting ethically conflicts with making a profit?

Q What happens if I am faced with a situation where acting ethically conflicts with making a profit for the company?

A You must always engage in legal and ethical conduct no matter what the circumstances. Arsenal Resources’ long-term profitability depends on our reputation. If you feel that there is a conflict between what is ‘right’ and what is profitable, you should contact your supervisor, General Counsel, Ethics Officer, or any of the other resources listed in this booklet for guidance.

Never compromise our integrity

Making Good Decisions

Recognizing ethical issues and doing the right thing in all Arsenal Resources business activities is your responsibility. When engaging in business activities for the Company, consider the following:

- What feels right or wrong about the planned action?
- Is the planned action consistent with the Code and Company policies?
- How will the planned action appear to your manager, Company executives, the Board, or the general public?
- Would another person's input help to evaluate the planned action?

Asking Questions and Reporting Concerns

Arsenal Resources aims to conduct business with the highest standards of ethics, honesty and integrity, and recognizes that you have an important role to play in maintaining this goal. Any employee or worker providing services to Arsenal Resources concerned about any form of malpractice, improper action, or wrongdoing by our company, its employees or other stakeholders is strongly encouraged to report the matter. Arsenal Resources believes that any employee with knowledge of wrongdoing should not remain silent. We take all matters of malpractice, improper action or wrongdoing very seriously and you are strongly encouraged to raise incidents or behaviors that are not in accordance with the Code, or the policies to which it refers. Arsenal Resources has an open-door policy and encourages employees to report concerns to any of the following: 1) their immediate supervisor, 2) the CCO, or 3) through the Telephone Hotline or EthicsPoint Website if the employee wishes to remain anonymous.

Commitment to Non-Retaliation

Any employee who reports a violation will be treated with dignity and respect and will not be subjected to any form of discipline or retaliation for reporting in good faith. Retaliation against anyone who provides information or otherwise assists in an investigation or proceeding regarding any conduct that the employee believes in good faith constitutes a violation of applicable laws or regulations, our Code of Business Conduct and Ethics, or Arsenal Resources' related policies is prohibited and will, in itself, be treated as a violation of our Code of Business Conduct and Ethics.



Anonymous Telephone Hotline:

844-262-1523



EthicsPoint website link:

www.arsenalresources.ethicspoint.com

Waivers

Arsenal Resources will waive application of the policies set forth in this Code only where circumstances warrant granting a waiver based on the best interests of Arsenal Resources. Any waiver pertaining to an employee must be approved by the Chief Compliance Officer and by the Chief Executive Officer. Waivers of the Code for directors and executive officers may be made only by those members of the Board of Directors not involved in the possible waiver and must be promptly disclosed as required by law or regulation.

Discrimination

Arsenal Resources is committed to treating all employees fairly and with respect. We will provide equal opportunities to all employees and applicants. Discrimination based on age, race, color, religion, national origin, gender, sexual orientation, physical or mental disability, and veteran status or other protected classes is prohibited. This applies to all terms and conditions of employment.

Workplace Safety and Violence Prevention

To preserve employee safety and security, weapons, firearms, ammunition, explosives and incendiary devices are forbidden on our company premises or in our company vehicles. In addition, our company will not tolerate acts or threats of violence, including extreme or inappropriate verbal or physical threats, intimidation, harassment and/or coercion. Behavior that threatens the safety of people or property, or has the potential to become violent, should be immediately reported to your supervisor, Security, HR, or the Arsenal Resources Telephone Hotline.

Harassment

Every employee has a right to a work environment free from harassment, regardless of whether the harasser is a co-worker, supervisor, manager, customer, vendor or visitor. Harassment can include any behavior (verbal, visual or physical) that creates an intimidating, offensive, abusive or hostile work environment. In addition, any harassment that either impacts or influences wages, hours, working conditions or employment advantages is specifically prohibited. Unlawful harassment includes harassment based on race, color, religion, creed, sex, gender identity, sexual orientation, age, disability, national origin or ancestry, as well as citizenship, marital, veteran, and family and medical leave status, or any other status protected by law. Sexual harassment includes harassment of a sexual nature of a person of the same or opposite sex as the harasser. Employees should refer to the Arsenal Resources Non-Harassment Policy for more information. As is the case with any violation of the Code, you have a responsibility to report any harassing behavior or condition regardless of if you are directly involved or just a witness. Retaliation for making a complaint or for assisting in the investigation of a discrimination or harassment complaint is prohibited. Report the offending behavior to your supervisor or another member of your management chain, your Human Resources representative, or contact the Arsenal Resources Telephone Hotline.

Substance Abuse

Alcohol and drug abuse can endanger the health, safety and security of our employees and our customers, adversely affect the quality and effectiveness of our company operations and potentially harm fellow employees, the communities we live in and our company reputation. The use, possession, sale, purchase, distribution, manufacture or transfer of alcohol, illegal drugs, or unauthorized drugs is prohibited on Arsenal Resources' premises or work sites. No Arsenal Resources employee or employee of a contractor may report to work or perform any job duties while under the influence of or impaired by alcohol or drugs. We encourage employees who may have an alcohol or drug problem to seek assistance through a local Employee Assistance Program (EAP). Participation in a company-sponsored EAP is optional unless an employee receives a mandatory referral to the EAP for reasons of alcohol or drug abuse. Employees who receive a mandatory referral must comply with the program designed by the EAP. Refusal to comply will be grounds for discipline up to and including termination of employment.



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Protecting our information and assets

Employee Information Privacy

Arsenal Resources respects the confidentiality of the personal information of employees. This includes employee medical and personnel records. Access to personal information is only authorized when there is a legitimate and lawful reason, and access is only granted to appropriate personnel. Requests for confidential employee information from anyone outside our company under any circumstances must be approved in accordance with our policies. It is important to remember, however, that employees should have no expectation of privacy with regard to normal course workplace communication or any personal property brought onto Arsenal Resources premises or used for Arsenal Resources business.

Proprietary and Confidential Information

In carrying out Arsenal Resources' business, employees, officers and directors often learn confidential or proprietary information about our company, its customers, prospective customers, or other third parties. Employees, officers and directors must maintain the confidentiality of all information so entrusted to them, except when disclosure is authorized or legally mandated. Confidential or proprietary information includes, among other things, any non-public information concerning Arsenal Resources, including its businesses, financial performance, results or prospects, and any nonpublic information provided by a third party with the expectation that the information will be kept confidential and used solely for the business purpose for which it was conveyed.

Handle information with care. If you need to send confidential information outside Arsenal Resources, make certain there is a confidentiality agreement with the person receiving the information. Be cautious and thoughtful when sharing confidential information in writing including e-mails and during private conversations. Consider your surroundings when talking

on a cell phone or in a public place. If you can answer 'yes' to the questions below, the information is confidential and should be protected.

- Is this information unknown to people outside the company?
- Would Arsenal Resources be disadvantaged or harmed if others knew this information?
- Would your project be jeopardized if the information was not held in confidence?



Are there restrictions on talking about the company after I leave?

Q I will soon be leaving Arsenal Resources. What restrictions do I have about talking about the company and my job after I leave?

A Your responsibility is the same as when you were still working at our company. You may not talk about or share any information that is confidential, sensitive, proprietary or is material and has not been made public. Contact someone in Arsenal Resources' Legal Department if you need guidance or have specific questions.

How do I know if something is a company trade secret or confidential?

Q How do I know if something is a company trade secret or confidential?

A You should treat everything you learn about our company and its business as a trade secret or confidential, unless it is obviously a matter of general public knowledge. A particular document or other material containing information does not need to be marked 'trade secret' or 'confidential' to be treated as such. If you have any questions, you should contact the General Counsel's Office.

Physical Assets and Resources

As employees of Arsenal Resources, each of us is a steward of its assets. Employees have the obligation to (a) protect and preserve our company's assets and resources and ensure their efficient use and (b) assist our company in its efforts to control costs. Theft, carelessness and waste have a direct impact on our company's profitability. Our company assets include, but are not limited to, such things as electronic mail, computer systems, documents, equipment, facilities, information, our company logo and name, materials and supplies. Any use of these assets for purposes other than the discharge of Arsenal Resources business is to be avoided. Moreover, the use of our company's assets and resources for personal financial gain is strictly prohibited. What constitutes misuse of our company assets and resources? How do we know if personal use of our company assets and resources crosses the line of reasonableness?

The following examples are provided as illustrative of misuse and unreasonableness:

- Use of our company facilities for personal gain;
- The excessive use of the telephone or facsimile long-distance for personal purposes;
- The taking of office supplies or equipment for personal consumption or use at home, e.g., using our company equipment to repair personal property;
- The personal use of our company vehicles without express authorization;
- The unauthorized copying of computer software programs; and
- The use of our company-issued credit card(s) for personal purchases.

Q & A

May I borrow a company vehicle to move personal items?

Q May I borrow an Arsenal Resources vehicle over the weekend in order to transport some items that will not fit into my personal vehicle? I will pay for the gasoline.

A No. Arsenal Resources provides vehicles only for company business.

I have seen another employee stealing supplies from our company...

Q I have seen another employee stealing supplies from our company. The person is a friend of mine, but I don't like the fact that he is stealing from the company. What can I do?

A It is a difficult situation for you, but you owe it to yourself and to the company to let management or the Human Resources Department know what is happening. And remember, you may always call the Arsenal Resources Telephone Hotline.

Proper Use of Electronic Media

Use of our company's networks is both a necessity and a privilege. If you have access to our information systems and computer networks, you are responsible for using the highest standards of behavior in all of your usage and communications. When you access our networks from remote locations (for example, at home or from other non-company locations), you are subject to the same standards of use as are employees who access our networks while on company premises. Our networks and information systems are for legitimate company-related business purposes. Limited personal use may be acceptable if it is authorized by your work location and does not interfere with your job responsibilities.

Social media is of growing importance in the marketplace. It enables us to learn from and share information with our stakeholders, as well as communicate with the public about our company. In addition to following all company policies, a general rule to remember when utilizing social media is to think about the effect of statements that you make. Keep in mind that these transmissions are permanent and easily transferable, and can affect our company's reputation and relationships with coworkers

and customers. When using social media tools like blogs, Facebook, Twitter or wikis, ensure that you do not make comments on behalf of Arsenal Resources without proper authorization. Also, you must not disclose our company's confidential or proprietary information about our business, our suppliers or our customers.



Protecting Customer/Third Party Information Privacy

We take the protection of privacy for our customers, consumers, and other third parties that have entrusted us with information very seriously. We follow all applicable laws and regulations directed toward privacy and information security. We must safeguard all confidential information our customers and other third parties share with us by ensuring that their information is only used for the reasons for which the information was gathered. If you do not have a business reason to access this information, you should not do so. If you do, you must also take steps to protect the information against unauthorized use or release.

Antitrust and Fair Competition

It is our policy that all directors, officers, and employees comply with antitrust and competition laws. International, U.S. federal and state antitrust and competition laws prohibit efforts and actions to restrain or limit competition between companies that otherwise would be competing for business in the marketplace. You must be particularly careful when you interact with any employees or representatives of Arsenal Resources' competitors. You should use extreme care to avoid any improper discussions with our competitors, especially at trade association meetings or other industry or trade events where competitors may interact. Under no circumstances should you discuss customers, prospects, pricing, or other business terms with any employees or representatives of our competitors. If you are not careful, you could find that you have violated antitrust and competition laws if you discuss or make an agreement with a competitor regarding:

- Prices or pricing strategy;
- Discounts;
- Terms of our customer relationships;
- Sales policies;
- Marketing plans;
- Customer selection;
- Allocating customers or market areas; or
- Contract terms and contracting strategies.

Agreements with competitors do not need to be written in order to violate applicable antitrust and competition laws. Informal, verbal, or implicit understandings, i.e., knowing winks, are also violations. Antitrust violations in the U.S. may be prosecuted criminally as felonies and can result in severe penalties for Arsenal Resources and any associate or other person who participates in a violation.

Selection and Use of Third Parties/Procurement (Fair Purchasing)

We engage in open and fair procurement activities regardless of nationality or the size of the transaction. Suppliers are selected on a competitive basis based on total value, which includes quality, suitability, performance, service, technology, and price. We strive toward establishing mutually beneficial relationships with our suppliers based on close cooperation and open communication. Terms and conditions defining our relationship with suppliers are communicated early in the supplier selection process. Any agreements to such terms and conditions, or any acceptable modifications, are reached before work begins. U.S. federal law requires that certain government procurement rules related to ethics and business conduct are flowed down to subcontractors. You are expected to know and comply with all government procurement rules applicable to our business.

Anti-corruption / Anti-bribery

The United States and many other countries have laws that prohibit bribery, kickbacks, and other improper payments. No Arsenal Resources employee, officer, agent, or independent contractor acting on our behalf may offer or provide bribes or other improper benefits in order to obtain business or an unfair advantage. A bribe is defined as directly or indirectly offering anything of value (e.g., gifts, money, or promises) to influence or induce action, or to secure an improper advantage. The Foreign Corrupt Practices Act and other U.S. laws prohibit payment of any money or anything of value to a foreign official, foreign political party (or official thereof), or any candidate for foreign political office for the purposes of obtaining, retaining or directing of business. We expect all employees, officers, agents, and independent contractors acting on behalf of Arsenal Resources to strictly abide by these laws.

Bribery and improper payments can also arise in situations that do not involve a government official. The exchange of appropriate gifts and entertainment is often a way to build our business relationships. However, you must conduct business with customers, suppliers, and government agencies (including U.S. and non-U.S. governments) without giving or accepting bribes including (but not limited to) commercial bribery and kickbacks.

- Commercial bribery involves a situation where something of value is given to a current or prospective business partner with the intent to obtain business or influence a business decision.
- Kickbacks are agreements to return a sum of money to another party in exchange for making or arranging a business transaction.

You must avoid participating in commercial bribery and kickbacks, or even the appearance of it, in all of our business dealings. Even in locations where such activity may not, technically speaking, be illegal, it is absolutely prohibited by our company policy.

Gifts and Entertainment

Modest gifts, favors, and entertainment are often used to strengthen business relationships. However, no gift, favor or entertainment should be accepted or given if it obligates, or appears to obligate, the recipient, or if it might be perceived as an attempt to influence fair judgment. In general, unless you have supervisory approval you should not provide any gift or entertainment to customers, suppliers, or others that you would not be able to accept from a customer, supplier, or other applicable parties.

- Never give or accept cash or its equivalent in connection with a business transaction.
- Never promise or make loans or investments of any kind without first fully complying with the Authorization Policy and applicable record keeping requirements.
- Our employees, officers, directors, family members, agents or agent's family members are prohibited to offer, accept, or receive a gift or entertainment if it:
 - * Is in cash;
 - * Is not consistent with customary business practices;
 - * Is extravagant in value;
 - * Can be construed as a kickback, bribe or payoff in violation of any law, including a bribe to a government official in violation of the U.S. Foreign Corrupt Practices Act;
 - * Violates any other laws or regulations; or
 - * Could cause embarrassment to or discredit our company if disclosed.

Specific laws apply to interactions with government officials and employees. For example, the U.S. and other countries have strict laws that prevent providing anything, including food or beverages, to a government employee. When doing business with government agents, employees, or officials be sure you understand applicable laws as well as local customs and norms. Please discuss with your supervisor or the Legal Department

any gifts or proposed gifts that you are not certain are appropriate.

Q & A

A vendor gave me an expensive gift as a part of their customs...

Q I received a 'more than modest' gift from a vendor in a country that traditionally provides frequent and expensive gifts. How do I handle this?

A In some cultures, gifts and entertainment play an important role in business relationships, and it is important to understand and adapt to local customs when working in countries outside the U.S. Bear in mind, however, that our company policies do not allow receiving gifts that could compromise or appear to compromise our ability to make objective and fair business decisions. You should review this matter with your manager and the Legal Department to address the legality, timing, business purpose, value, and intent of the gift.

I received a gift from a customer, but am unsure of the value...

Q I received a gift from a customer, but I am unsure of its value. How do I know if I need to disclose it to my manager?

A You do not need to seek approval of very modest items, unless other people could reasonably construe them as influencing your business decisions. You should use your best judgment to estimate the value of the gift you received and the need to seek appropriate approval. If in any doubt, always err on the side of asking for approval. If you have any doubt about an item's value or its implications in relation to an actual or perceived conflict of interest, you should discuss the situation with your manager and the Legal Department.

Q & A

May we ask for gifts from vendors to help a local charity?

Q I have heard that we are asking for gifts from vendors to help a local charity in our community. Is this an acceptable practice?

A No. It is not acceptable to ask for a gift or favor under any circumstances. We do not want our vendors to think that their business with our company depends on gift giving.

May I accept free tickets to a sporting event from a vendor?

Q A vendor has offered me free tickets to a sporting event that I really want to attend. May I accept?

A Maybe. The most important consideration when deciding whether to accept a gift or paid-for entertainment, such as tickets to a sporting event, is whether receiving it could (i) compromise or appear to compromise your ability to make objective and fair business decisions, or (ii) influence or appear to influence a business relationship. For this reason, business entertainment must be moderately scaled and intended only to facilitate business goals. These are, of course, facts and circumstances inquiries. Relevant factors include, among other things, the fair value of the gift or entertainment, whether the vendor will be present at the event, the frequency of gifts and entertainment received from the vendor, whether the vendor is paying for travel, lodging, and meals associated with the event, and the status of Arsenal Resources' business relationship with the vendor. Consequently, if you are offered a gift or paid-for entertainment (including business entertainment) of more than nominal value from a vendor, prospective vendor, or any person with whom Arsenal Resources does or may do business, you must inform your manager and, if appropriate, seek advice from the Legal Department. You may not accept any such gift or entertainment without your manager's prior written consent.

Q & A

May I participate in a local customer-sponsored golf event?

Q I've been asked to participate in a local customer-sponsored golf event. May I attend the event?

A This kind of business entertainment is acceptable, because it builds your relationship, it can generate goodwill, and it is not lavish. Always consider whether the event would influence or appear to influence a decision about the customer. Also consider whether it has a business purpose, how it appears to employees and others, and whether attendance benefits our company. If it requires travel, you need to talk to your manager.

We cannot compete effectively if we appear ungenerous...

Q In our region, we are expected to offer expensive gifts and lavish entertainment. We can't compete effectively if we appear ungenerous. What should I do?

A Gifts and entertainment are things of value and may not be given to obtain or retain business or to obtain improper advantage. However, gift giving and entertaining are not always illegal. If a government official or politician is the recipient, you must consult with the Legal Department to ensure that no such entertainment or gift is linked to any specific business of Arsenal Resources, exceeds what is normal and customary in the particular country, or violates the laws of that country. If you have any doubt about the propriety of a gift or entertainment, do not give it.

A supplier offered me a 15% personal discount. Is this appropriate?

Q A supplier just offered me a 15% personal discount. Is this appropriate?

A You cannot accept a personal discount unless the supplier offers the discount to all Arsenal Resources employees.

I won a trip at an industry meeting with a high dollar value...

Q I attended an industry meeting and won a weekend trip. The value definitely will exceed U.S. \$100. Can I accept the prize?

A You may accept a prize won in connection with a random drawing or competition as long as the drawing or competition is open to all participants and the prize is not excessive in terms of value.

Is it ok to participate in an all-expense-paid trip from a supplier?

Q When is it permissible to participate in an all-expense-paid trip from a supplier or customer?

A Acceptance is allowed if you are part of a group, the supplier or customer is present as host, the trip is business-related, and the activity is approved in advance by an officer of the Company.

A customer invited me to a club that provides adult entertainment...

Q An important customer of our company has requested that we go to dinner at a local club that provides 'adult' entertainment. Can I comply with his request?

A No. Sexually-oriented 'adult' entertainment venues violate our Code of Business Conduct and Ethics. Do not conduct business entertainment with customers, suppliers, or other business associates in these or any other venues that may embarrass our company.



Maintaining Accurate Financial Records / Internal Accounting Controls / Audit Cooperation

Accurate and reliable records are crucial to our business. We are committed to maintaining accurate company records and accounts in order to ensure legal and ethical business practices and to prevent fraudulent activities. We are responsible for helping ensure that the information we record, process, and analyze is accurate, and recorded in accordance with applicable legal or accounting principles. We also need to ensure that it is made secure and readily available to those with a need to know the information on a timely basis.

Company records include booking information, payroll, timecards, travel and expense reports, e-mails, accounting and financial data, measurement and performance records, electronic data files, and all other records maintained in the ordinary course of our business. All company records must be complete, accurate, and reliable in all material respects. There is never a reason to make false or misleading entries. Undisclosed or unrecorded funds, payments, or receipts are inconsistent with our business practices and are prohibited. Employees should always provide accurate information and full cooperation with internal or external auditors and with the audit process.



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Managing Records Properly

Our records are our corporate memory, providing evidence of actions and decisions and containing data and information critical to the continuity of our business. Records consist of all forms of information created or received by Arsenal Resources, whether originals or copies, regardless of media. Examples of company records include paper documents, e-mail, electronic files stored on disk, tape or any other medium (CD, DVD, USB data storage devices, etc.) that contains information about our company or our business activities. All records are the property of Arsenal Resources and should be retained in accordance with our Records Retention Policy. We are responsible for properly labeling and carefully handling confidential, sensitive, and proprietary information and securing it when not in use. We do not destroy official company documents or records before the retention time expires, but do destroy documents when they no longer have useful business purpose. Refer to the Records Retention Schedule for more specific retention and destruction guidelines.



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Avoiding Conflicts of Interest

Every employee, officer, and director of our company is expected to act in the best interests of Arsenal Resources and to protect our reputation from any conflicts. We should also be sensitive to even the appearance of a conflict. This means that employees, officers, and directors should avoid any investment, interest, association, or activity that may cause others to doubt their or our company's fairness or integrity, or that may interfere with their ability to perform job duties objectively and effectively. Many potential conflicts of interest can be prevented or remedied by making full disclosure of the situation to your supervisor or functional supervisor. Our supervisors are responsible to ensure that Arsenal Resources' interests are protected from conflicts of interest. What are some activities that could represent conflicts of interest?

- Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business, or competes with our company.
- Holding a second job that interferes with your ability to do your regular job.
- Employing, consulting, or serving on the board of a competitor, customer, supplier, or other service provider.
- Hiring a supplier, distributor, or other agent managed or owned by a relative or close friend.
- Soliciting or accepting any cash, gifts, entertainment, or benefits that are more than modest in value from any competitor, supplier, or customer.
- Taking personal advantage of corporate opportunities.

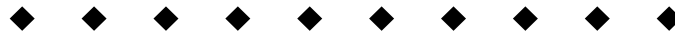
Serving on the board of directors or an advisory committee of for-profit and non-profit organizations may present many opportunities for conflicts of interest. Before agreeing to become a member of the board of directors or an advisory committee of any for-profit organization, you should contact the Legal Department to determine the relationship, if any, existing between our company and the for-profit organization. To make sure activities relating to non-profit or community organizations do not create a conflict of interest or other problem, you should notify your supervisor of your prospective membership before you agree to the board service. You may not serve on the board of directors of a company or organization that raises the potential for a significant conflict of interest (e.g., certain competitive, supplier or customer relationships). If approved for serving on the board of directors of an outside company or organization, you may not conduct outside business during working hours or use company assets or information in any work for another business.

A conflict of interest also may arise if outside employment activities impair timely and effective performance for our company. You should not take employment or provide consulting services for any business entity that is a supplier or competitor of Arsenal Resources. You should ensure that any outside activity is strictly separated from your employment. You should not use any company resources or personnel for activities not relating to Arsenal Resources. You may engage in outside employment or business ventures if that activity does not compete against Arsenal Resources, does not provide goods or services to Arsenal Resources, or does not violate your confidentiality or other obligations to Arsenal Resources. Because taking outside employment may create or appear to create a conflict of interest, you must notify your supervisor before accepting another position.

You have a duty to our company to advance our legitimate interests should the opportunity arise. You should not take personal advantage of opportunities or favors offered to you by virtue of your

(Continued on page 17)

employment with Arsenal Resources. Be respectful of company property, information, and position, and make sure that you and your family members don't use them for personal gain. Discounts on personal purchases of a supplier or customer's products or services should not be accepted unless such discounts are offered to all employees in general.



Insider Trading

While Arsenal Resources is not publicly traded, many of our partners and competitors are. You are prohibited from trading or enabling others to trade stock of another company, such as a customer, supplier, competitor, potential acquisition or alliance, while in possession of material nonpublic information ('inside information') about that company. Material information is any information that an investor might consider important in deciding whether to buy, sell, or hold securities. Information is considered non-public if it has not been adequately disclosed to the public. Information is not considered public until the first business day after it has been disclosed to the public. All non-public information about companies with which we do business is considered confidential information. To use material non-public information in connection with buying or selling securities, including 'tipping' others who might make an investment decision on the basis of this information, is not only unethical, it is illegal. We must exercise the utmost care when handling material inside information.

Relationships with Regulators

Given the highly regulated environment in which we operate, we must be vigilant in meeting our responsibilities to comply with relevant laws and regulations. We expect full cooperation of our employees with our regulators and to respond to their requests for information in an appropriate and timely manner. We should be alert to any changes in the law or new requirements that may affect our business unit and be aware that new products or services may be subject to special legal and/or regulatory requirements. If we become aware of any significant regulatory or legal concerns, we must bring them to the attention of our supervisor, manager, or the Legal Department. We are committed to maintaining an open, constructive and professional relationship with regulators on matters of regulatory policy, submissions, compliance, and product performance.

Communicating with External Parties

Arsenal Resources employees are not authorized to speak with the media, investors, or analysts on behalf of our company unless authorized by the Human Resources Department and/or Legal Department. Unless authorized, do not give the impression that you are speaking on behalf of Arsenal Resources in any communication that may become public. This includes posts to online forums, social media sites, blogs, chat rooms, and bulletin boards. This policy also applies to comments to journalists about specific matters that relate to our businesses, as well as letters to the editor and endorsements of products or services.

Social Responsibility

We pride ourselves on being a company that operates with integrity, makes good choices, and does the right thing in every aspect of our business. We will continually challenge ourselves to define what being a responsible company means to us, and work to translate our definition into behavior and improvements at Arsenal Resources. We seek to align our social and environmental efforts with our business goals and continue to develop both qualitative and quantitative metrics to assess our progress.

Political Activities and Contributions

You may support the political process through personal contributions or by volunteering your personal time to the candidates or organizations of your choice. These activities, however, must not be conducted on company time or involve the use of any company resources such as telephones, computers or supplies. You may not make or commit to political contributions on behalf of Arsenal Resources.

Q & A

A friend is running for office and I would like to help...

Q A friend of mine is running for political office, and I would like to help her out with her campaign. Is there a problem with this?

A No. Your personal support is your personal business. Just make sure that you do not use Arsenal Resources assets, including company time, or the Arsenal Resources name, to advance the campaign.

Can my manager ask me to make a contribution to a political campaign?

Q Can my manager ask me to make a contribution to a political campaign of a candidate who is generally considered supportive of our company's business?

A No one in a position of authority should encourage others to make contributions, or to support candidates or political causes whenever 'encouragement' could be interpreted or perceived as compulsory or coercive. However, certain supervisors of our company may encourage employees to support causes that are considered important to Arsenal Resources.

May I hand out campaign literature on the job?

Q I strongly support a candidate for office in the upcoming *election*. May I hand out campaign literature on the job?

A No. Distribution of such materials during work time or in work areas is an unacceptable use of company property and time and could create the mistaken impression that Arsenal Resources is endorsing a particular candidate.

Charitable Contributions

We support community development throughout the world. Arsenal Resources employees may contribute to these efforts, or may choose to contribute to organizations of their own choice. However, as with political activities, you may not use company resources to personally support charitable or other non-profit institutions not specifically sanctioned or supported by our company. You should consult the Legal Department if you have questions about permissible use of company resources.



Health, Safety, Environment and Operational Excellence

We are committed to conducting business in an environmentally responsible manner and strive to improve our performance to safely benefit our employees, customers, communities, shareholders, and the environment. We use energy wisely and efficiently and employ technology to minimize any risk of environmental impact. We strive to maintain the highest levels of safety and operational excellence. Employees whose work affects environmental compliance must be completely familiar with the permits, laws, and regulations that apply to their work. All employees are responsible for making sure that Arsenal Resources business is conducted in compliance with all applicable laws and in a way that is protective of the environment.



Human Rights

We are committed to upholding fundamental human rights and believe that all human beings around the world should be treated with dignity, fairness, and respect. Our company will only engage suppliers and direct contractors who demonstrate a serious commitment to the health and safety of their workers, and operate in compliance with human rights laws. Arsenal Resources does not use or condone the use of slave labor or human trafficking, denounces any degrading treatment of individuals or unsafe working condition, and supports our products being free of conflict minerals.



Violations of the Code

Failure to comply with the Code, applicable laws, rules and regulations may result in disciplinary action up to and including termination and/or legal action when necessary.

Amendments to the Code

Any amendment to this Code shall be made only at the direction of the CCO and CEO with the approval of the Audit Committee of the Board of Directors. If an amendment to the Code is made it will promptly be disclosed to all Arsenal Resources employees.

Anonymous Reporting: EthicsPoint Website and Telephone Hotline

Employees who wish to report violations of the Code anonymously may do so using Arsenal Resources' Anonymous Reporting EthicsPoint Website or Telephone Hotline. A copy of the Code can also be found on the EthicsPoint Website linked below.

The EthicsPoint website link: www.arsenalresources.ethicspoint.com

The Anonymous Telephone Hotline can be reached by dialing: **844-262-1523**

Compliance Certificate

All Arsenal Resources officers, directors and employees must execute compliance certificates substantially in the form of **Exhibit A** to this Code. Each employee must become familiar with and agree to comply with the Code as a condition of such person's employment. Employees may be required to execute additional compliance certificates periodically if changes are implemented to the Code.



ARSENAL
R E S O U R C E S

Exhibit A

Code of Business Conduct and Ethics Certification

I hereby certify that:

1. I have read and understand the Code of Business Conduct and Ethics (the "Code") of Arsenal Resources LLC. I agree that I will comply with the policies and procedures set forth in the Code.
2. I will report any actual or potential business conduct or ethics concerns related to the Code or policies and procedures therein.
3. I am not aware of any current or potential unreported violations of the Code.
4. I will continue to comply with the Code for the duration of my employment with Arsenal Resources LLC or any of its affiliates or subsidiaries.

Signature

Printed Name

Date