



CODE OF BUSINESS CONDUCT AND ETHICS

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

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INTRODUCTION:

North American Tungsten Corporation Ltd. (“NTC” or the “Company”) requires high standards of professional and ethical conduct from our employees and directors.

The Code of Business Conduct and Ethics (the “Code”) is mandatory and applies to all employees and directors of North American Tungsten Corporation Ltd., its subsidiaries (collectively: “NTC”) and to any other business entities managed by NTC. Any employee of NTC who is aware of any contravention of this Code is expected to report the matter promptly to his or her supervisor or other individual designated for such purposes.

All employees must diligently seek to avoid conduct which might be interpreted as being in contravention of the Code. Every employee, who has executive, managerial or supervisory responsibilities, is expected to ensure that the provisions of this Code are communicated to employees reporting to him or her, and who must promptly report any contravention of this Code, actual or perceived, to his or her supervisor, Manager or to the Corporate designate at the Head Office of NTC.

While NTC’s business practices will comply with legal and regulatory requirements, and be consistent with industry standards and related social practices, business and social practices of the communities in which NTC operates, NTC believes that honesty and integrity are the cornerstones to a reputable and successful business.

There is no substitute for common sense and experience, this Code has been developed to provide NTC employees with guidance on how to conduct NTC business, and to help identify issues that may require the technical expertise of the NTC’s Corporate Office and/or legal counsel.

It is important to understand that any employee who knowingly and intentionally violates any part of this Code will be subject to disciplinary measures, which may include dismissal.

The provisions of the Mine Site Policies are in addition to this Code.

PURPOSE:

The purpose of the Code is to:

- Affirm the Company’s honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

- Avoid conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- Ensure full, fair accurate and timely and understandable disclosure in reports and documents that NTC files with, or submits to, the securities regulators and in other public communications made by or required of NTC;
- Ensure full compliance with applicable governmental laws, rules and regulations;
- Prompt internal reporting to an appropriate person of violations of this Code;
- Demonstrate accountability for adherence to this Code;
- Provide guidance to employees to help them recognize and deal with ethical issues;
- Implement mechanisms to report unethical conduct.

1. COMPLIANCE WITH APPLICABLE GOVERNMENTAL LAWS, RULES AND REGULATIONS

Ignorance of the law is not an acceptable defense to non-compliance. While some of NTC's activities are complex, and subject to evolving laws, regulations and government policies, it is essential that employees remain abreast of any such changes within their area of responsibility and keep their co-workers and supervisors fully informed.

Oral agreements, arrangements, directions and instructions made by individuals authorized to do so are binding. The fact that they are not in writing is not relevant in determining whether any particular action is or is not in contravention of this Code, laws, rules and regulations.

NTC's employees must comply with the letter and spirit of all laws, rules and regulations applicable to NTC's business. All employees must respect and obey the laws of the cities, provinces, territories, states and countries where NTC operates and avoid the appearance of impropriety.

NTC's employees must diligently seek to avoid conduct which might be interpreted as being in contravention of laws governing the affairs of NTC. Compliance with the general laws of Canada applies to NTC.

If there is doubt about any legal requirement(s), the employee must immediately refer the matter to his or her supervisor who, if necessary, should seek the advice of the Corporate Secretary at the Company's Corporate Office. If there is insufficient time to obtain such advise, clarification or direction, employees should conduct themselves in a manner with the understanding that such conduct may be subject to full public disclosure.

2. HEALTH & SAFETY

Strict Compliance with all NTC's health & safety programs, Fuel Spill Contingency Plan and legislative health & safety requirements is mandatory.

In order to protect the safety of all employees, employees must report to work in a state of readiness to perform their duties and free from the influence of any substance that could prevent them from performing the required work in a safe and effective manner.

The use of alcohol or illegal drugs in the workplace is prohibited. Likewise, employees are prohibited from being under the influence of alcohol or illegal drugs during the course of their duties.

In addition to complying with all applicable laws, NTC's employees are also required to fully adhere to Company policies apply good common sense while on NTC's property and while representing or conducting NTC's business. The following are some examples that contravene NTC mine site policy, and which will not be tolerated on NTC mine site, exploration properties nor in relation to Company owned or hired transport;

- Possession, consumption, storage or distribution of alcoholic beverages on NTC's mining or exploration properties,
- The unlawful manufacture, distribution, possession, transfer, sale, purchase or usage of a controlled substance, such as illegal drugs.
- Driving vehicles or operating NTC's equipment while under the influence of alcohol or controlled substances;
- Illegal betting or gambling;
- The possession of weapons of any sort on NTC's mine site, exploration property or in NTC's vehicles while on NTC business, except by security or other personnel who are expressly authorized by NTC.

NTC reserves the right to enter and inspect any property that may be used by employees in conducting their job or for the storage of their personal effects. This includes computers, desks, lockers and vehicles owned by NTC. It is a violation of NTC's policy to store any contraband, illegal drugs, non-job related toxic materials or weapons on NTC's mine site, exploration properties and vehicles.

Any breaches of these policies and/or requirements are to be immediately brought to the attention of the General Manager of NTC. Illegal activities on NTC's mine site, exploration property, vehicles or while on NTC business will not be condoned and will result in disciplinary actions including termination.

3. ENVIRONMENTAL POLICY

NTC is committed to preserving the environment. NTC's strategy for its mining, exploration and other operations focuses on the incorporation of environmental considerations. Each employee is responsible for compliance with all applicable environmental laws, rules, regulations, permits and licenses. It is critical that all NTC's environmental protection policies and programs be adhered to and that any breaches and/or potential breaches are brought immediately to the appropriate personnel being the General Manager of NTC. Failure to adhere to the environmental protection

policies and programs and/or to report any breaches and/or potential breaches may necessitate dismissal.

4. CONFLICT(S) OF INTEREST

A conflict of interest occurs when the personal interests of an employee or private individual interferes, supersedes or in any way conflicts with the business interests of NTC, and brings disrepute to the reputation, business plans and good name of NTC. Employees must remain vigilant of this, and continuously ensure that their personal endeavors do not in any way jeopardize the ability of NTC to conduct business. Examples of conflict of interest include;

- Deprive NTC of the time or attention required to perform, complete, meet objectives, and to conduct its business affairs in a proper, fair and reasonable manner;
- Create an obligation or distraction, regulatory investigation or public reaction which would affect their judgment or ability of NTC to act solely in its best interest;

Potential conflicts of interest are so varied that it is impractical to establish universal criteria in this Code as to what constitutes a prohibited conflict of interest. When in doubt, these should be discussed with your supervisor.

D) SPECULATION IN NTC'S SECURITIES AND USE OF INSIDE INFORMATION

NTC is subject to Securities Legislation regarding confidential, privileged and or material information. Employees who have access to confidential, material or privileged information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of the business of the Company. All nonpublic information about the Company should be considered confidential, material or privileged information. To use nonpublic information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. Common examples of such information would be:

- Unreleased Quarterly or annual earnings information or reports;
- Significant new discoveries;
- Results of on-going drilling programs or other exploration or development work, assay results, reserve calculations, new geological interpretations;
- Proposed mergers or take-overs;
- Significant sales or acquisitions of assets or other similar transactions (or the fact that negotiations are being conducted with respect to such matters).
- Unpublished production, sales, finds, explorations or technological plans.

Information, be it positive or negative, may be confidential, material or privileged. In some cases, it may be situations where it is unclear whether particular information constitutes privileged, confidential or material information. The prudent course of action in such circumstances is to refrain from trading in NTC's securities until advice is sought from the Corporate Secretary of NTC. Please bear in mind that if your private trading in NTC securities becomes the subject of an investigation, such trading may well be viewed differently after-the-fact and in the way such actions were viewed by the employee at the time such transactions were conducted.

The above policy shall also apply to associated companies (of) which NTC may be involved in a joint venture, or other business dealings where NTC may be negotiating a material transaction.

II) PROPRIETARY AND CONFIDENTIAL INFORMATION

NTC's technical, commercial, proprietary and financial information is confidential and employees of NTC are prohibited from revealing or making personal use of such information. As a general rule no employee should discuss any undisclosed technical, commercial, proprietary or financial information with others, including other employees of NTC, unless this is absolutely necessary for the carrying on of NTC's business, in which case such information and discussions must remain confidential.

The obligation to preserve confidential, material and/or proprietary information continues in full effect, including after employees leave the Company.

III) PROTECTION AND PROPER USE OF NTC'S ASSETS

All employees should protect NTC's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on NTC's profitability. Any suspected incidents of fraud or theft should be immediately reported for investigation.

NTC's assets, such as equipment, funds or computers, may only be used for legitimate business purposes unless specifically approved by management. Company assets may never be used for illegal or for personal purposes.

All employees are personally accountable for NTC funds over which they have control. Employees who spend NTC funds should ensure NTC receives good value in return and must maintain accurate records of such expenditures. Employees who approve or certify the correctness of a bill or voucher should know that the purchase and amount are proper and correct. Obtaining or creating false invoices or other misleading documentation or the invention or use of fictitious sales, purchases, services, loans, entities or other financial arrangements is prohibited and illegal.

5. DEALING WITH SUPPLIERS

NTC's employees must do business with suppliers, contractors and consultants in an impartial manner. They must do so without favour, any expectation thereof, and must conduct the business of NTC, absent of any preferential treatment, and most importantly, in the best interests of NTC.

Purchases of goods, supplies and services by NTC must not promote, create expectations nor result in any type of personal kickbacks, "under-the-table" payments nor rebates, either present or future, to any employee, officer, director or to their families.

To avoid both the reality and the appearance of improper relations with suppliers or potential suppliers, the following standards will apply to the receipt of gifts and entertainment by employees:

Employees may accept unsolicited modest non-monetary industry-standard gratuities if the frequency and value of such materials are reasonable, and it is understood that the employee is under no obligation to give further business or any business to any such donors provided:

- They are items of nominal intrinsic value (e.g. Tickets for sporting or cultural events);
- They are appropriate and customary client development gifts for the industry; and that may not reasonably be considered extravagant for such employee;
- They are advertising and promotional materials, clearly marked with the company or brand names; and
- All such gifts, promotional and marketing materials, gratuities are reported to the Senior Manager.

From time to time employees may accept unsolicited entertainment, but only under the following conditions;

- The entertainment occurs infrequently;
- It arises out of the ordinary course of business;
- It involves reasonable expenditures (the amounts involved should be ones employees are accustomed to normally spending for their own business or personal entertainments); and
- The entertainment takes place in settings that also are reasonable, appropriate and fitting to employees, their hosts, and their business at hand.

Be sure to discuss any such gifts, proposed gifts or gratuities with the immediate supervisor if there is any uncertainty as to whether they are appropriate.

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6. RELATIONS WITH GOVERNMENT OFFICIALS

Laws and regulations require NTC to be in contact with public officials on a wide variety of matters. Employees who regularly make these contacts have special responsibilities for upholding NTC's good name. The following standards relate to the special responsibilities:

- No employee shall make any form of payment, direct or indirect, to any public official as inducement to procuring or keeping business or having a law or regulation enacted, defeated or violated.
- When not prohibited by law, employees are allowed to give to public officials gifts where the presentation and acceptance of gifts is an established custom and a normal business practice. All such gifts shall be of reasonable value and the presentation approved in advance by the NTC's Corporate Office. Moreover, such gifts must be presented in a manner that clearly identifies the Company and the occasion that warrants the presentation.
- On special ceremonial occasions, senior officers of the Company may publicly give gifts of more than nominal value to public institutions and public bodies. Such gifts can commemorate special events or milestones in the Company's history.
- From time to time employees may entertain public officials, but only under the following conditions:
 - It is legal and permitted by the entity represented by the official;
 - The entertainment is not solicited by the public official;
 - The entertainment occurs infrequently;
 - It arises out of the ordinary course of business;
 - It does not involve lavish expenditures, considering the circumstances; and
 - The settings and types of entertainment are reasonable, appropriate and fitting to our employees, their guests and the business at hand.

7. POLITICAL ACTIVITIES AND CONTRIBUTIONS

Employees who participate in political activities must make every effort to ensure that they do not leave the impression that they speak or act or on behalf of NTC.

NTC recognizes that its employees may participate in political activities in their own time and at their own expense. No corporate action, direct or indirect, will be allowed that infringes on the right of any employee individually to decide whether, to whom, and in what amount, they will make personal political contributions. The same is true of volunteer political donations of personal service time, so long as it does not interfere with the working requirements of employees.

NTC may occasionally express its views on local and national issues that affect NTC's operations. In such cases, Company funds and resources may be used, but only when permitted by law and by our strict guidelines. NTC may also make limited contributions to political parties or candidates in jurisdictions where it is legal and customary to do so. No employee may make or commit to political contributions on behalf of NTC without the express and written approval of the Board of Directors.

8. BOOKS, RECORDS AND ACCOUNTS

NTC is a public company; it is of critical importance that NTC's public disclosures, including filings with the Securities Commissions and regulatory authorities, be complete, fair, accurate, timely and understandable. Depending on an employee's position with NTC, an employee may be called upon to provide necessary information to assure that NTC's public reports are complete, fair and understandable. NTC requires that all employees provide prompt, accurate and complete answers to all inquiries relating to public disclosure requirements.

NTC's books, records and accounts are to reflect accurately, fairly and in reasonable detail, all transactions in accordance with generally accepted accounting principles, legal requirements and the system of internal controls by NTC.

Appropriate records must be kept of all transactions and there are to be no cash funds, bank accounts, investments or other assets which are either not recorded or inadequately recorded on the Company's books. No payment is to be approved without adequate and accurate supporting documentation and authorization.

Business records and communications may become public through legal or regulatory investigations or the media. Exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies must be avoided. This applies to communication of all kinds, including email and informal notes or interoffice memos.

9. DISCRIMINATION AND HARASSMENT

It is NTC's policy and practice not to discriminate against any employee because of race, colour, religion, national origin, gender, sexual orientation, age, or physical or other disability. Abrasive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Employees are to be treated fairly and afforded reasonable opportunities based on merit and ability to do the work. Employees are required to sustain an environment that encourages personal respect and promote freedom from all forms of personal discrimination and harassment.

10. USE OF E-MAIL AND INTERNET SERVICES

E-mail and internet services are provided to enable employees to perform their work. Incidental and occasional personal use is permitted, but never for personal gain or improper purpose. Employees may not access, send or download any information that

could be insulting or offensive to another person, such as sexually explicit material or jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as harassment. Also remember that “Flooding” NTC’s system with junk mail and trivia hampers the ability of NTC’s system to handle legitimate Company business and is prohibited.

Employees should not download copyrighted materials, should not copy material that is not licensed to NTC and should follow the terms of a license when using material that is licensed to NTC. Employees are prohibited from downloading games and screensavers as these are common sources of viruses.

Employee’s messages (including voice mail) and computer information are considered NTC’s property and you should not have any expectation of privacy. Unless prohibited by the law, NTC reserves the right to access and disclose this information as necessary for business purposes. Use good judgment, and do not access, send messages or store any information that you would not want to be seen or heard by other individuals.

11. REPORTING OF ANY ILLEGAL OR UNETHICAL BEHAVIOUR AND CODE VIOLATIONS

NTC has a strong commitment to conduct its business in a lawful, ethical and honest manner. Employees are encouraged to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation and to report violations of laws, rules, regulations or this code. NTC prohibits retaliatory action against any employee, who, in good faith, reports possible violations. It is unacceptable to file a report knowing it to be false.

Any employee who is charged or convicted of a crime, whether related to these rules or not, must also report that fact within five days of being charged or convicted.

Employees must immediately report any violations of this Code.

Reports of violations should be made by employees to their immediate supervisor and to the Corporate Secretary at NTC’s corporate office or to the Chairman of the Audit Committee under the Whistle Blower Policy provisions.

After a Code violation is reported, alleged and investigated, appropriate action will be taken. Management has the right to determine the appropriate disciplinary action for a violation up to and including termination of employment. All proposed disciplinary action is subject to review by senior management.

Employees should be aware that in addition to any disciplinary action taken by NTC, breaches of this Code may result in restitution and may lead to civil or criminal action against individual employees and any related companies involved.

Supervisors have the responsibility of taking steps to identify report and correct any operating procedures that may be in contravention to this Code, legislation or regulations.

12. AMENDMENT, MODIFICATION AND WAIVER

NTC will periodically review this Code. This Code may be amended, modified or waived by the Board of Directors.

Reviewed and Approved January 22, 2011.