

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY AND GUIDELINES FOR THE CONDUCT OF INTERNATIONAL BUSINESS

1. PURPOSE

LaSanta Botanicals Ltd. (together with its subsidiaries, “LaSanta” or the “Company”) requires that its own personnel and representatives comply with all applicable laws, rules and regulations and maintain the highest ethical standards in conducting its international business.

The purpose of this Anti-Bribery and Anti-Corruption Policy is to reiterate LaSanta’s commitment to full compliance by the Company, its subsidiaries and affiliates, and its officers, directors, employees and agents with Canada’s *Corruption of Foreign Public Officials Act* (“CFPOA”), the U.S. *Foreign Corrupt Practices Act* (“FCPA”), Colombian laws and any local anti-bribery or anti-corruption laws that may be applicable. This Policy supplements all applicable laws and provides guidelines for compliance with the CFPOA, FCPA, and Company policies applicable to LaSanta operations world-wide.

A breach of anti-corruption laws is a serious offence, and could result in lengthy investigations, significant fines and criminal sanctions (including imprisonment). Compliance with the CFPOA, FCPA and this Policy is critical to preserving the corporate integrity, reputation and operational flexibility of LaSanta.

For the purposes of this Policy, a “contractor” or “supplier” is defined as a third-party entity or individual who provides, and receives payment for, services or goods related to any aspect of a LaSanta operation, and includes consultants and subcontractors. A “non-supplier vendor” is defined as a third-party individual, company, organization, and/or Government or Government-related entity that will receive payment from LaSanta but will not provide goods or services in return.

2. SCOPE

This Policy is applicable to every employee of LaSanta, including senior executive and financial officers, and to members of the LaSanta Board of Directors. The reporting requirement of this Policy is also applicable to LaSanta’s contractors, suppliers and non-supplier vendors. This Policy is intended to supplement all applicable laws, rules, and other corporate policies. It is not intended to supplant any local laws. Where this Policy and applicable laws, rules or other corporate policies differ, the more stringent requirements must be followed.

3. DEFINITION

Corruption is the misuse of public power for private profit, or the misuse of entrusted power for private gain. Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person’s views or conduct or to obtain an improper advantage. Bribery and corruption can take many forms, including the provision or acceptance of:

- Cash payments;
- Phony jobs or “consulting” relationships;

- Commissions or kickbacks;
- Political contributions;
- Charitable contributions;
- Social benefits;
- Gifts or entertainment; or
- Travel, hospitality, and reimbursement of expenses.

4. POLICY REQUIREMENTS

LaSanta personnel and agents are strictly prohibited from offering, paying, promising, or authorizing:

- any payment, loan, reward, advantage, benefit or other thing of value;
- to any person;
- directly or indirectly through a third party;
- for the purpose of (i.e., in exchange for);
 - causing the person to act or fail to act in violation of a legal duty;
 - causing the person to abuse or misuse their position; or
 - securing an improper advantage, contract or concession;
- for LaSanta or any other party,

(“Improper Payment Activity”).

To promote compliance with anti-corruption laws in Canada, the United States, Colombia and other applicable jurisdictions, no LaSanta personnel shall undertake any Improper Payment Activity in respect of a foreign official, a domestic official, or a person doing business in the private sector.

5. COMPLIANCE WITH ANTI-BRIBERY LEGISLATION GENERALLY

LaSanta representatives should be aware that LaSanta is subject to legislation in Canada, the United States, Colombia and other jurisdictions that prohibit corrupt practices in dealing with foreign governments. It is important that LaSanta comply with all international and local anti-bribery and anti-corruption laws, even where the perception is that such standards are loosely enforced by local authorities. LaSanta will conduct its business in compliance with applicable laws and requires all LaSanta representatives to avoid any activity that could implicate LaSanta in any unlawful practice.

Local custom and practices in Colombia or elsewhere where LaSanta may carry on business do not entitle LaSanta to offer a bribe or any other kind of facilitation payment.

6. NO FACILITATION PAYMENTS

Facilitation payments are so-called “off the record”, “under the table” or “grease” payments made to procure or expedite what should otherwise be routine and non-discretionary governmental services or actions that an official is required to perform. LaSanta personnel and agents are strictly

prohibited from making facilitation payments, which are a form of bribery, no matter how small or how commonly they may be asked for in certain regions.

7. THIRD PARTIES

Under the CFPOA, FCPA and other anti-corruption laws, LaSanta can be liable for offers or payments made by third parties who deal with persons on LaSanta's behalf, even if LaSanta was not aware of, or did not approve, the offer or payment. Anti-corruption enforcement actions are often targeted at companies that ignore suspicious acts or circumstances suggesting that a third party doing business with them may have made or will make improper payments to persons on their behalf. Payment to a third-party where such third-party subsequently makes an illegal payment violates this Policy. LaSanta personnel or representatives must not ignore the possibility that the third-party will make an improper payment or commitment, and particularly if they disregard "red flags" signaling the possibility of a payment commitment.

Given the risk of liability for the acts of third parties, special precautions must be taken when considering engaging a consultant, agent or other third party to represent LaSanta or do work on its behalf. Reasonable steps should be taken to ensure that third-party business partners are subjected to appropriate due diligence before being engaged, have a written contract with LaSanta containing anti-corruption representations and covenants, and act consistent with the requirements of this Policy throughout their relationship with LaSanta.

8. RECORD KEEPING

LaSanta's books and records must correctly record both the amount and a written description of any transaction. LaSanta personnel must ensure that there is a reasonable relationship between the substance of a transaction and how it is described in the Company's books and records.

9. PROCEDURES AND STANDARDS

It is contemplated that LaSanta will institute procedures and standards related to training, due diligence, the recording of transactions, and other areas, to implement the terms of this Policy. In particular, LaSanta will institute standards and procedures for:

- Sponsoring travel of government or government officials;
- Direct and in-kind support for government or government officials;
- Security support for public law enforcement;
- Per diems for government officials;
- Agreements with government-affiliated third parties, including those who may interact with the government on LaSanta's behalf or benefit;
- Contracting with state-owned entities;
- Meals, gifts, and entertainment for government officials;
- Charitable and cultural donations to government or government officials, or to those parties affiliated with them; and
- Political contributions.

10. AUDITS

Audits of LaSanta sites and contractors may be conducted periodically to ensure that the requirements of this Policy and applicable procedures and guidelines are being met. Audits may be conducted internally by LaSanta, or externally by retained third parties. Audit documentation shall include performance improvement action plans.

11. INTERACTION WITH OTHER CORPORATE POLICIES

Other LaSanta policies impacted by this Policy shall be construed to be consistent with this Policy.

12. WAIVER

There is no permitted deviation or waiver from this Policy.

13. DISCIPLINE

Any employee who violates the terms of this Policy will be subject to disciplinary action. Any employee who has direct knowledge of potential violations of this Policy but fails to report such potential violations to Company management will be subject to disciplinary action. Any employee who misleads or hinders investigators inquiring into potential violations of this Policy will be subject to disciplinary action. In all cases, disciplinary action may include termination of employment. Any third party agent who violates the terms of this Policy, who knows of and fails to report to LaSanta management potential violations of this Policy, or who misleads investigators making inquiries into potential violations of this Policy, may have their contracts re-evaluated or terminated.

14. REFERENCES

For reference:

- The CFPOA can be found at: <http://laws-lois.justice.gc.ca/eng/acts/c-45.2/index.html>
- The FCPA can be found at: <http://www.justice.gov/criminal/fraud/fcpa/>

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