

Indicator Minerals Inc. Travel and Entertainment Policy

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Introduction

Purpose

This document describes the Expense Management policy for Indicator Minerals Inc. (IME) employees and consultants who are required to undertake travel and/or entertain on behalf of the Company.

The objectives of this policy are to:

- Ensure employees and consultants have a clear and consistent understanding of the Company's policy relating to business travel and entertainment;
- Provide a policy which allows business travellers to obtain a reasonable level of service and comfort, which is cost effective and convenient, whilst ensuring the safety of all employees and consultants when travelling;
- Maximise the Company's ability to better manage travel and entertainment expenses through the negotiation of discounted rates with preferred suppliers and service providers;
- Ensure that employees and consultants are incurring approved expenses in accordance with this policy;
- Provide clear policy for reimbursement of approved and 'out of pocket' expenses incurred by employees and consultants when travelling or entertaining on behalf of the Company.

Emergency Location

In the event of emergency or catastrophe, IME must have the ability to locate all employees and consultants engaged in business travel at short notice. For this reason it is essential that all employees and consultants book travel through the designated travel agent. This will facilitate immediate tracking and location of employees and consultants should it be necessary. When travel is arranged by another method e.g. internet direct bookings, employees and consultants must provide details of the itinerary so that the Company maintains the ability to locate them.

Definitions

Travel Agent: The company appointed to undertake all bookings and transactions for business travel.

Consultant: An employee of an external organisation who has been contracted by IME to undertake a specific project or projects.

Contractor: A non-IME employee, assigned by a 3rd party agency to undertake work for IME on a part or full-time basis, for a specified period.

Scope

This policy applies to all IME employees, consultants and contractors worldwide. Any variation to the policy must be authorised by the CEO or GM.

Employees and consultants are to conduct travel and entertainment (T&E) in accordance with IME business conduct guidelines. Specifically, any offers received for free travel and/or accommodation are to be declined. If there is a valid business purpose to attend, then IME should pay any travel and/or accommodation costs.

Authorizations

An employee must review the most effective process for conducting their business and should consider alternatives where feasible such as teleconferencing, to pursue the matter.

The business needs and the number of employees and consultants travelling together must be evaluated and substantiated.

Approval for travel will be determined by corporate guidelines issued from time to time.

Refer to [Expense Claims](#) for information relating to authorization of travel and entertainment expenses.

International Travel

Approval from a member of the management team, or their authorised designate(s), is required prior to booking any international travel.

Travel Agents

Travel bookings are to be made through the contracted IME Travel Agent. The Travel Agent will be responsible for managing IME's travel bookings and services. Any en route changes to travel requirements should be made with the designated agency, circumstances permitting, to ensure changes are within policy and that travellers' whereabouts are known at all times.

Travel to Medium and High Risk Countries

Each employee has the prime responsibility for his/her own security and safety. To enhance the security and safety of our employees and consultants travelling internationally, IME policy requires compliance with the arrangements for all travel to any HIGH or MEDIUM risk area. No special security arrangements apply to travel to LOW risk areas except that a detailed itinerary must be circulated to relevant officers prior to travel so that the travelling employee can be contacted as and when required.

This policy applies to all employees and consultants at IME and is to be incorporated into appropriate policy and procedure manuals.

Corporate Charge Card

IME has an agreement with ATB MasterCard as the preferred provider of Corporate Charge cards (MC).

All MC cards issued will be 'Limited Liability' type, except where issue of an alternative liability type card is authorised.

Use of the Corporate Charge card for personal expenditure is not permitted, except in an emergency.

The Company is liable only for business-approved expenses. The Company will not be liable for non-business approved expenses, or other expenses outside the scope of this policy.

Penalties and Fines

All fines and penalties, e.g. late payment fines on credit card bills, parking fines, etc. are to be borne by employees and consultants.

Entertainment Expenses

Bills should be charged to the corporate MC card and claimed with a detailed description of the person or relationship of the people entertained, and the business purpose of the entertainment (for tax purposes).

Other Business Expenses

Any other legitimate business expenses that may be incurred by employees and consultants, e.g. stationery, subscriptions, etc. should be charged to MC where feasible. Small CAPEX items, e.g. cell phones, with a MAX limit of \$1,000 each may also be charged to MC and will be expensed accordingly.

Air Travel

Use of Preferred Carriers

Bookings via the internet or directly with airlines are permitted for domestic travel.

All air tickets for business travel should be purchased through the appointed travel agent and charged to the MC card. Exception for tickets purchased in Point 1.

Business class is applicable only for international air travel longer than 5 hours in duration. Economy class should be utilised for shorter flights and all domestic flights. IME's employees and consultants are not authorised to travel in First Class.

Individual upgrades by employees and consultants using frequent flyer points are at the employees and consultants discretion and obligation.

Class of Travel

All travel with flight time of less than 5 hours shall be Economy/Coach Class.

On international flights of more than 5 hours, travel may be booked in business class. Where there is no business class seating configuration on the plane, first class may be booked.

Where a total trip has sectors with flight times of less than 5 hours, but the total flight time on the trip will exceed 5 hours, business class may be used at the discretion of the business.

Accommodation/Hotels

Approved List of Hotels

IME has a list of approved hotels in various locations to which employees and consultants may travel. All hotel bookings may be booked directly with the hotel requesting the IME corporate rate.

Standard rooms have been negotiated for all reservations.

No-show fees, where the traveller has failed to advise a change, will not be reimbursable.

For meetings and events, Direct Billing/Invoicing is preferred; the MC corporate card can be used as an alternative if Direct Billing/Invoicing is not available.

Ground Transportation

Rental/Hire Cars and Vehicles

IME does not have contracts with preferred car rental companies. Employees and consultants may use nationally recognised and reputable car rental companies when making any car hire bookings

Employees and consultants should decline offers of car rental insurance as Indicator Minerals Inc. is self insured through the MC card.

Mid-size cars or larger should be utilized for safety reasons. To ensure Indicator Minerals Inc. safety protocols are being followed.

Employees and consultants must refuel rental vehicles prior to returning due to a higher charge for fuel at the hire car company.

Employees and consultants may accept an upgraded vehicle when there is no additional cost to be borne by the Company and it meets the safety protocols set by the Company.

Taxis

Taxi/cab fares will be reimbursed upon provision of receipts and journey details.

Payment should be made with the Corporate Card wherever possible. Payment via a Corporate Card may incur a surcharge; this surcharge is acceptable.

Chauffeured Vehicles

Use of these vehicles should be made only where the cost of the service is shown to be more cost effective than other methods of transportation.

Use of Company escorts or chauffeured vehicles is to be made in locations where there are safety or security concerns.

General Conditions and Provisions

Spouse/Companion Travel

Spouse or companion accompaniment at Company expense is only allowable in special circumstances, and must be approved by a member of the Management Team.

Spouse or companion accompaniment on travel must be noted on the employee's itinerary at all times.

Employees and consultants are not permitted to downgrade the class of travel in order to purchase a ticket for a non-employee.

Overnight Delays and Denied Boarding

Employees and consultants must not volunteer for denied boarding compensation (when an airline over-books flights) from an airline when on Company business.

Frequent Flyer Miles/Programs, Loyalty Programs

Employees and consultants may join any frequent flyer or frequent miles programs at their own discretion. The Company will not reimburse the cost of joining these programs. IME will continue to allow individual employees and consultants to use reward/loyalty programs where there is no cost to the Company.

Participation in any frequent flyer or other loyalty program must not influence the employee's selection of supplier, carrier or other travel provider.

Club or Lounge Membership

Employees and consultants who make 5 return trips per year are entitled to membership of one airline club or lounge, the cost of which will be borne by the Company.

Any cost of membership for employees and consultants who do not meet these criteria is at the discretion of management.

Insurance

The Company will cover medical-related costs if an IME employee is injured whilst traveling. Contractors/Consultants must obtain their own travel insurance.

Lost or Excess Baggage

The ultimate responsibility for retrieving and compensating for lost baggage is with the airline. The Company will consider reimbursing employees and consultants for items lost or stolen whilst travelling on Company business. The decision on reimbursement lies with management. The Company will pay for excess baggage relating to equipment or items that are part of a business trip. An employee should also explore insurance coverage by MC and the airline for reimbursement as one of the benefits of the Corporate Card program.

Medical Issues

Employees and consultants who are pregnant, and have passed the 26-week stage of their pregnancy, are not permitted to undertake air travel on Company business unless they have first obtained written approval from their own doctor to do so.

Personal Travel

If an employee receives authorization to attach annual/personal travel to a business trip, they must ensure that no costs are borne by the Company.

No charges are to be made to the Corporate Card for personal or private travel.

Definitions

Personal Meals: Meal expenses incurred by the traveller when dining alone during business trips away from their home site.

Business Meals: Meals taken with colleagues during which specific business discussion takes place.

Entertainment: Expenses incurred on meals or events (theatre, sporting events, etc.), whereby business discussion takes place with a client or prospective client prior to, during or after the event. The entertainment of such clients is dependent upon the existence of a business relationship that would benefit the Company.

Requirements and Reporting

When incurring personal and business meal expenses and entertainment expenses, employees and consultants should apply the reasonableness test of whether they would

reimburse such expenditure in normal circumstances to their employees and consultants, and would they incur the expense if it were their own cost.

Business meals will be reported as part of the general business travel expense reporting.

For Business Meals and Entertainment expenses, details of all people in attendance (name, title and company), date of expense, and business purpose are required.

When more than one employee is present at a business meal or entertainment event, then the most senior manager must pay and claim the expense.

Employees and consultants in the same location should not entertain each other and expect the Company to pay the expenses. Management approval is required prior to the expense being incurred for any exceptions to this.

Employees and consultants will be reimbursed for business meals taken with other employees and consultants when:

- at least one IME employee is from out of town,
- a client is present, or
- for confidentiality reasons, business must be conducted off Company premises.

Alcoholic Beverages

IME will reimburse reasonable costs for alcohol consumed as part of a Personal or Business Meal (as defined in [Definitions](#)) or as part of Entertainment. Reasonable mini-bar costs will also be reimbursed. Further reimbursement will be at the discretion of the management.

Expenses

The Company will pay for reasonable travel and entertainment related expenses incurred in the conduct of business travel or entertainment. Included in reimbursable expenses are airfares, accommodation, car hire, meals and entertainment. This list provides details on expense reimbursement:

- All T&E costs are to be charged to the MC Corporate Card.
- Expenses will be reimbursed direct to the MC card company only after the employee has submitted and had approved an expense claim.
- Expenses not charged to the MC will be reimbursed to the employee for settlement of any accounts.

Out-of-pocket Expenses

The Company will reimburse an employee for reasonable and incidental out-of-pocket expenses. These expenses must be substantiated.

Passports, Visas and Consulate Fees

The Company will reimburse employees and consultants required to obtain a passport or renew a passport as a result of having to travel on behalf of the Company. The Company will also meet costs associated with visas. (Arrangements for visas are made with the travel agent or designated third party.)

Gratuities/Tips

Tips should only be paid in accordance with the local custom and practice of the location you are visiting. Tips should not be excessive or more than normal local standards.

Daily Travel Incidentals

Outside normal travel and entertainment expenses mentioned in these guidelines, there will be other expenses an employee may incur whilst travelling. Reimbursement of these expenses is subject to management approval and the application of the reasonableness test of whether they would reimburse such expenditure in normal circumstance to their employees and consultants.

The Company will reimburse reasonable costs associated with faxes, copying services, fuel, parking, tips, tolls, currency conversion fees, travellers' cheque fees, visa or consulate fees, and reasonable sightseeing expenses.

Daily Travel Allowances

IME does not provide daily travel allowances or 'per diems' whilst travelling on Company business. The Company will reimburse an employee for reasonable travel expenses incurred whilst travelling as stated in this policy.

Personal Phone Calls

Employees and consultants will be reimbursed for reasonable costs associated with personal phone calls made whilst travelling on Company business.

Laundry

The Company will reimburse reasonable laundry expenses incurred by employees and consultants whilst travelling on Company business. Employees and consultants need to take into consideration the higher cost of this service at hotels and the duration of their trip.

Health Clubs, Gymnasiums and Sporting Facilities

Most hotels on the IME hotels list have fitness facilities and the use of these facilities is included in the cost of the room rate. Should there be a charge; the Company will reimburse reasonable costs.

Mini Bars

The Company will reimburse reasonable mini bar costs. Excessive use of mini bars will be the employee's responsibility to pay. Employees and consultants should consider the higher than normal cost of these facilities.

Expense Claims

General requirements are:

- Where an automated expense reporting tool is available, the employee is to use the tool for submitting all expense claims.
- As a minimum, expense claims must be submitted by the last day of each month.
- Employees and consultants must submit original documentation, in the form of receipts, tax invoices, statements and reports, for all expenses being claimed.
- Expenses are to be approved by the employee's immediate manager or supervisor, or the next higher level of authority within the company.
- Managers approving expenses are required to ensure all items claimed are legitimate business expenses, that they relate to approved business travel or approved entertainment activity, and that they are in accordance with the provisions of this policy.
- Generally, all expenses should be supported by an invoice or receipt.
- The MC statement must accompany the Expense Claim form and must form the basis for all claim calculations. Payment to MC will only be for approved business expenses that have been correctly claimed via the Expense Claim form.
- No employee is authorised to approve their own expenses or the expenses of an employee more senior than themselves unless they are given specific delegation of authority.
- Employees and consultants are required to submit claims for expenses on a timely basis. The Company will not pay any late payment or overdue fees.
- Cash Advances. If an employee receives a cash advance he/she will not be reimbursed any monies owed until the cash advance is cleared.
- Cash Advances must not be left unreconciled for more than 3 months

Expenses Not Reimbursed by the Company

The Company will not reimburse costs associated with:

- Late payment fees. It is the responsibility of all cardholders to reconcile expenses and submit a report for payment by the method prescribed.
- Upgrades. The Company will not reimburse costs for any upgrade, e.g. car hire, air travel or hotel upgrades.
- The Company will not reimburse expenses relating to personal days while on a business trip, or for souvenirs or personal gifts.
- Although employees and consultants may personally join any frequent flyer or frequent miles programs, the Company will not reimburse the cost of joining these programs.
- Any traffic fines or parking infringement notice fines incurred on rented or Company vehicles are the personal responsibility of the employees and consultants involved and will not be reimbursed by the Company.
- Valet parking is not to be used by employees and consultants except where no other safe method of parking is available.

- The Company will not reimburse calls from air phones or rail phones, except in the case of an emergency.
- The Company generally does not reimburse costs associated with in-house movies in hotels, etc. however; management may use its discretion to reimburse these costs dependent upon substantiation of circumstances such as cost, safety and security.

Personal Expenses/Unapproved Expenses

Personal expenses are not permitted on the Corporate Card, except in an emergency. The employee must pay any unapproved expenses or personal expenses on the card directly to IME in a timely manner.

Contractors and Consultants

If IME is paying for travel related costs of a Contractor and/or consultant the contractor/consultant is required to follow IME's Travel and Entertainment Policy when travelling and/or entertaining on behalf of IME. If the contracting company has its own travel program (travel supplier agreements) the cost to IME must not exceed the cost should the travel be booked through IME's travel supplier agreements.

Corporate Card

If a contractor is issued a Corporate Card it will be an 'individual liability' card, where the contractor is liable for all expenses incurred. The Corporate Card must be used only for IME-related work.

Where consultants are employed by IME, any air, accommodation and car hire expenses are to be charged to the Corporate Card of the Senior Manager who has engaged the consultant. Alternatively, long-term consultants and contractors may use the expense reimbursement system. Any incidental travel expenses are to be paid for by the consultant and may be billed to the Company.

Travel Bookings

All contractors and consultants are instructed to follow the IME travel policy and utilise the negotiated contracts and rates with service providers as set out in this policy.

All contractors and consultants travelling on behalf of IME must arrange their own travel insurance.