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## COMMUNICATION AND CORPORATE DISCLOSURE POLICY

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### 1.0 GENERAL

The Board of Directors (the “Board”) of Baja Mining Corp. (together with its subsidiary companies referred to herein as the “Company”) has adopted this *Communication and Corporate Disclosure Policy* (the “Policy”) which covers: communication with the press, analysts and shareholders; release of corporate information in news releases and other corporate disclosure documents; disclosure of technical information; and maintenance of, and disclosure of, information on the Company's website. The Company has also adopted a *Privacy Policy*; expects strict adherence of its directors, officers, employees and contractors (collectively, “Employees”) with insider trading restrictions; and requires confidentiality clauses in employment agreements so as to protect the confidentiality of Company information.

The Board has instructed management to annually provide a copy of the Policy to each of the Company's Employees). This Policy is administered by the Nominating and Corporate Governance Committee and reviewed annually by the same. Recommendations for any required changes are made by the Nominating and Corporate Governance Committee to the Board.

### 2.0 PUBLIC DISSEMINATION OF INFORMATION

#### 2.1 Definition of Material Information

The definition of “Material Information” used by the Company is taken from the Toronto Stock Exchange’s (“TSX”) Company Manual as defined in Section 407, which states:

“Material Information is any information relating to the business and affairs of a company that results in or would reasonably be expected to result in a significant change in the market price or value of any of the company’s listed securities. Material Information consists of both material facts and material changes relating to the business and affairs of a listed company.”

#### 2.2 Disclosure of Material Information

To ensure the proper disclosure of material information in a timely manner in compliance with securities legislation and all applicable laws, the Company requires that:

- (a) The CEO, CFO or Corporate Secretary, in consultation with at least one non-executive director will determine the materiality of information and when disclosure should be made. Until such time as disclosure is made, the information must be kept strictly confidential.
- (b) Material information must be disclosed promptly by news release and filed by way of a material change report with the securities commissions and each exchange upon which the Company's securities are listed or quoted.
- (c) The content of news releases must be approved by two of the CEO, Corporate Secretary or CFO, and one non-executive director prior to issuance. If the news release contains

financial information from the Company's financial statements, it must also be approved by the Audit Committee prior to issuance. If the news release contains information specifically naming third parties, including partners, that the Company does business with, every attempt to obtain approval by that third party, of the disclosure made in the release about that third party, must be made before issuance of the news release. Should the news release be of a highly sensitive and material nature and an approval by a third party cannot be obtained in a timely manner, the necessity to make a timely disclosure of the material information takes precedent over approval by the third party, unless by doing so, material released could be misleading or could break the law.

- (d) The Company will observe a trading blackout surrounding public offerings and in advance of the release of a quarterly earnings announcement, and when necessary according to the Company's *Policy on Trading in Company Securities*, specifically the *Trading Blackout* section of the same.

### **2.3 Continuous Disclosure Documents and Procedures**

To ensure that continuous disclosure documents are properly prepared and filed or disseminated:

- (a) Information circulars, annual reports, annual information forms, prospectuses and earnings guidance must be approved by the Board before being publicly disseminated.
- (b) Financial statements must be approved by the Audit Committee and the Board, as required by securities legislation, before being publicly disseminated. News release disclosure containing financial information should be filed on SEDAR and EDGAR concurrently with the filing of the respective financial statement, and must first be reviewed by the Audit Committee or the Board.
- (c) Other disclosure documents must be approved by the CEO, and in the CEO's absence, the CEO's senior officer designate of the Company prior to dissemination.
- (d) The CEO, and in the CEO's absence, the Corporate Secretary, has primary responsibility for ensuring the proper and timely completion, filing and dissemination of continuous disclosure documents. Documents that must be disclosed are in accordance with the following policies:
  - i. National Policy 51-201- Disclosure Standards;
  - ii. National Instrument 51-102- Continuous Disclosure Obligations;
  - iii. National Policy 58-201 – Corporate Governance Guidelines
  - iv. The Sarbanes-Oxley Act of 2002, and the Securities and Exchange Commission rules dictated under the same; and
  - v. The TSX Policy on Timely Disclosure as detailed in the TSX Company Manual
- (e) The Corporate Secretary is responsible for overseeing all communications with stock exchanges and securities commissions.
- (f) The Company will voluntarily disclose any non-material information about the Company (which is not the subject of a confidentiality agreement or prevented from being disclosed by applicable privacy laws) that senior management believes to be in the best interest of shareholders, the investment community and the public.

- (g) Future-oriented financial information ("**FOFI**") should be kept to a minimum, and only disclosed in accordance with securities legislation. If FOFI is used, it should be carefully monitored and updated if required. Extra caution should be used if the FOFI is used in connection with an offering of securities, as it could lead to liability on the part of directors. The FOFI disclosure should be dated with the date management approved it, and should explain the purpose of the FOFI and caution those reading the disclosure that it may not be appropriate for purposes beyond its intention.

## **2.4 Technical Reports**

As the Company is from time to time required to file technical reports respecting its material properties, the following shall be observed:

- (a) Technical reports shall be prepared by a qualified person in accordance with National Instrument 43-101. The Corporate Secretary, in conjunction with the appropriate qualified person, has the primary responsibility for ensuring the proper and timely filing of technical reports.
- (b) If a news release contains scientific or technical information respecting the Company's properties or a prospective acquisition, it must also be approved by an appropriate "qualified person" in the Company, or otherwise, in accordance with National Instrument 43-101 prior to issuance.
- (c) Disclosure respecting material properties in other continuous disclosure documents and on the Company's website must comply with National Instrument 43-101.
- (d) The Company's website should post all continuous disclosure documents that have been published containing information on a material exploration or development property until the work has been discontinued, the property has been abandoned or disposed of, or the information has been superseded by more current, disclosed information.

## **2.5 Selective Disclosure**

The general principle is that material information must not be selectively disclosed to any person prior to it having been publicly disclosed so that all investors and potential investors have equal access to information respecting the Company. To help guard against selective disclosure, the Company requires that all inquiries from shareholders, the investment community and/or the public (together, "Inquiring Party") are to be handled by the appropriate senior officer (see below) of the Company, dependent on the nature of the disclosure. Any information for distribution to a shareholder must first be authorized by that same senior officer. The following disclosure guidelines must be complied with:

- (a) Only the CEO, CFO, the Chairman of the Board, the Corporate Secretary, and any member of the Audit Committee where financial disclosure is concerned, are authorized to determine whether information is material, decide the manner in which the information is disclosed and speak to analysts, investors or the media. Requests for information should, to the extent possible, be received and responded to in writing.
- (b) No comment should be made on analysts' forecasts or reports.
- (c) No comment should be made on market rumours as a general rule. Should unusual market trading be the result of a rumour, the Company, where appropriate, will make a

- (d) All inquiries as to performance of the Company's trading securities or any technical questions related to the ownership of shares and/or warrants are to be directed to the Corporate Secretary or her designate. No Employees shall participate in internet chat rooms, blog sites or newsgroup discussions which include discussion about the Company. If an Employee finds internet chat rooms, blog sites or newsgroup discussions pertaining to the Company, or its securities, are false or misleading, such person must advise the Corporate Secretary and/or the CEO of the same. It may be advisable at that point to alert the Exchange's market surveillance department to let them know of the existence of the rumour so that any unusual trading activity can be monitored.
- (e) A record shall be made of each response, speech or other method of disclosure.

If selective disclosure inadvertently occurs, the information must be immediately disseminated by news release.

## **2.6 Website Content and Disclosure**

To ensure that other forms of communication are appropriate and accurate, the Corporate Secretary of the Company and/or the appropriate senior officer, qualified person, technical advisor or director has the responsibility for monitoring the Company's web site and public relations material prior to the issuance of each quarter's financial statements and following any Company announcement or news release. In particular, the responsible person must regularly review and update or correct the information posted on the Company's website to ensure the information is kept current and complies with applicable securities laws. Material changes in information must be updated immediately. Investor relations material shall be monitored to ensure that it is factual and well-balanced. To this end, a monthly "website audit" will be performed and recorded by the Corporate Secretary or her designate to ensure compliance and fair and adequate disclosure of all Company facts and information. This audit must be signed off by the Corporate Secretary on a monthly basis.

All material posted to the website should show the date of the information. Continuous disclosure documents should be filed on the Company's website as near as possible to the time and date of the issuance of a news release respecting the continuous disclosure and the filing the documents on SEDAR and EDGAR. Analyst or other third party reports shall not be forwarded by the Company nor placed on or linked to the Company's website. The Company's website shall contain a disclaimer stating "**The Company is not responsible for the contents of reports and information provided by third parties.**" If the Company attaches any links to a third party site, the Company must include a statement that the viewer is leaving the Company web site and that the Company is not responsible for the content of that other site.

## **2.7 Use of the Company's Name and/or Logo**

Public use of the Company's logo and/or name (or the logos of any of the Company's subsidiaries) is to be pre-cleared with the Corporate Secretary of the Company.

## **2.8 Public Presentations, Publications and Seminars**

Corporate-related subject matter (which meets disclosure guidelines noted above in this Policy) to be presented on road shows, at technical or marketing related conferences or speaking engagements,

corporate presentations to partners, government officials, educational groups or any marketing related materials including advertisements, brochures, fact sheets, internet information, handbooks, speeches or audio-visual presentations, must be approved by one of the Corporate Secretary, CEO or CFO of the Company. The Company must ensure consistent disclosure of information. All information presented at the aforementioned conferences and seminars will be posted to the Company's website as the presentation is being given or as close as possible to such time.

### **3.0 CONFIDENTIALITY OF CORPORATE AND PERSONAL INFORMATION**

#### **3.1 Definition of Confidential Information**

**Confidential Information** is defined as and includes the following:

- a) Financial Information – earnings, assets, debts, prices, pricing structures, equity or debt financing proposals or details, including but not limited to interest and labor rates, fees payable, ratios and amounts, or other financial data and all other such related information.
- b) Marketing Information – details regarding ongoing or proposed marketing programs or agreements, metal price forecasts, information about impending transactions, or results of marketing efforts
- c) Supply and Service Information – names and details of suppliers or contractors, terms of supply and/or service contracts, reference to particular transactions or suppliers that is not public knowledge, or other such information surrounding suppliers
- d) Employee's Personal Information – compensation, terms of employment, incentive awards, actual or proposed promotions, medical histories, hiring, resignations, terminations or issues surrounding the same, complaints about or disciplinary action against particular Employees, or other such personal information.
- e) Other Information such as design or development of new procedures related to the business of the Company. All such information, whether or not the subject of copyright or patent, are the sole property of the Company. This includes proprietary information developed or acquired by the Company including trade secrets such as records, reports, papers, processes, plans and methods, as well as other technical, financial and business information.
- f) Any information that materially affects the Company (see definition of "Material Information in Section 2.1 above) that is as of yet undisclosed. Such information will be disclosed as appropriate in nature and timing as per the applicable securities and stock exchange regulations, as well as in conjunction with the Policy.
- g) Information belonging to a third party, which is disclosed to the Company on a confidential basis, should only be used for authorized purposes.

#### **3.2 Use of Confidential Information**

All information must be kept confidential and must not be used for personal gain. Disclosure of such information other than to the Company's auditors, legal counsel or bank shall first be approved by the CEO.

Material corporate information may only be kept confidential as permitted by securities legislation and stock exchange rules. If material information is being kept confidential, information must be provided only to those persons with a "need to know" and under strict instructions as to confidence.

Appropriate methods shall be used to maintain the confidentiality of information, including guarding passwords, guarding against inadvertent disclosure by safekeeping of documents, caution regarding oral conversations and cell phone use, and the use of confidentiality/non-disclosure agreements as required.

All persons are reminded that the sending of confidential information by external email may not be secure, as the Company does not use encryption technology. Market activity shall be monitored for any unusual activity.

The Company's communications systems belong to the Company, and may be used by employees and management only for legitimate corporate purposes. The Company reserves the right to restrict the use of its communications systems for non-corporate purposes and may monitor use by employees and management. Therefore a person's use of the communications systems constitutes an irrevocable consent by such person to the monitoring and disclosure of his or her system use and data and an agreement to comply with this Policy.

Take-over bids, mergers and similar transactions often create the greatest exposure to an issuer from a legal standpoint because of the potential abuse that can result from persons having knowledge of the information with respect to either the Company or any proposed target of a bid of the Company. Therefore, extra precautions should be taken if these transactions are being planned.

The Company has adopted a *Privacy Policy* as required under Canadian privacy legislation. All Employees have the responsibility for ensuring the Company complies with the same.

***The Code is reviewed Annually by:***

***CEO***

***CFO***

***Corporate Secretary***

***Nominating & Corporate Governance Committee***

***Board of Directors***

***Initially Approved & Adopted: August 1, 2007***

***Reviewed & Renewed: November 13, 2009***