

LA MANCHA RESOURCES INC.

WHISTLEBLOWER POLICY

(Adopted by the Board of Directors on the 26th of March, 2006)

A. INTRODUCTION

It is the policy of La Mancha Resources Inc. (the "Company") to comply with and require its Employees to comply with all applicable legal and regulatory requirements related to corporate reporting and disclosure, accounting and auditing control and procedures. Every employee and others of the Company (collectively hereinafter referred to as the "Employee" or "Employees") has the responsibility to assist the Company in meeting these legal and regulatory requirements.

The Company's internal operating controls and corporate reporting and disclosure procedures are intended to assure compliance with applicable laws and regulations that assure compliance with applicable laws and regulations that relate to corporate reporting and disclosure, accounting and auditing controls and procedures. The Company, however, has a responsibility to investigate and report to appropriate governmental authorities, as required, any violations of applicable legal and regulatory requirements relating to corporate reporting and disclosure, accounting and auditing controls and procedures, and the actions taken by the Company to remedy such violations.

B. PURPOSE

This policy sets out the process through which Employees, acting on behalf of the Company, either directly or anonymously can notify representatives of the Company and the Audit Committee of the Company's Board of Directors of potential violations or concerns. In addition, this policy establishes a mechanism for responding to, and keeping records of, any complaints from Employees regarding such potential violations. This policy does not apply to all grievances that an Employee may have such as those related to terms of employment or those concerns that are addressed by other policies of the Company such as anti-discrimination or sexual harassment.

C. COMPLAINT PROCEDURES

Receipt of Complaints

In order to facilitate the reporting of Employee complaints, the Company's Audit Committee has established the following procedures for:

- (a) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Accounting Matters"); and
- (b) the confidential anonymous submission by Employees of concerns regarding questionable accounting or auditing matters.

Employees with concerns regarding Accounting Matters may report their concerns or complaints in writing directly to the Company's Corporate Secretary. The Corporate Secretary shall forward a copy of the same to the Chairman of the Audit Committee.

Employees may report complaints or concerns regarding Accounting Matters on a confidential, anonymous basis to the Audit Committee through regular mail marked CONFIDENTIAL addressed to the Chairman of the Audit Committee.

The complaint should be in writing so as to assure a clear understanding of the issues raised. The complaint should be factual rather than speculative, and should contain as much specific information as possible to allow for proper assessment. The complaint describing an alleged violation or concern should be candid and set forth all the information that the employee knows regarding the allegation or concern. In addition, all complaints must contain sufficient corroborating information to support the commencement of an investigation. The Company may, in its reasonable discretion, determine not to commence an investigation, if a complaint contains only unspecified or broad allegations of wrongdoing and without appropriate information support.

Scope of Matters Covered by These Procedures

These procedures relate to Employee complaints relating to any questionable accounting or auditing matters, including:

- fraud or deliberate errors in the preparation, evaluation, review or audit of any financial statement of the Company;
- fraud or deliberate error in the recording and maintaining of financial records of the Company;
- deficiencies in or non-compliance with the Company's internal accounting controls;
- misrepresentations or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; and
- deviation from full, true and plain disclosure of the Company's financial condition.

Treatment of Complaints

Upon receipt of the complaint by the Chairman of the Audit Committee, (the "Investigating Officer"), the Investigating Officer shall make a determination, in his or her reasonable judgment, whether a reasonable basis exists for commencing an investigation into the complaint. To assist in making this determination, the Investigating Officer may conduct an initial, informal inquiry. At the request of the Investigating Officer, other parties may become involved in the inquiry based on their oversight responsibility or expertise.

To the extent possible, all complaints should be handled in a confidential manner. In no event should information concerning the complaint be released to persons without a specific need to know basis. Investigation of complaints should be prompt. The determination by the Investigating Officer will be communicated to the Employee who brought the complaint, unless anonymous, to the Audit Committee and to relevant management, as appropriate.

Upon making a determination to recommend a formal investigation, the Investigating Officer will promptly notify the members of the Audit Committee. The Audit Committee will then determine, in its reasonable judgment, whether a reasonable basis exists for commencing a formal investigation into the complaint. If the Audit Committee makes such a determination, then it shall instruct the Investigating Officer to proceed with a formal investigation. The Investigating Officer shall oversee all investigations under the authority of the Audit Committee. The Audit Committee shall ensure coordination of each

investigation and shall have overall responsibility for implementation of this policy. The Audit Committee shall have the authority to retain outside legal or accounting expertise in any investigation, as it deems necessary to conduct the investigation in accordance with its charter and this policy.

At each meeting of the Audit Committee, the Corporate Secretary shall prepare a report to the Audit Committee stating the nature of each complaint submitted during the quarter, if any, immediately preceding the meeting of the Audit Committee, whether or not the complaint resulted in the commencement of a formal investigation, and the status of each investigation.

Corrective Action

The Audit Committee and the Company management, if requested, will determine the validity of a complaint and any corrective action, as appropriate. It is the responsibility of the Audit Committee to report to the full Board and to Company management any non-compliance with legal and regulatory requirements and to assure that management takes corrective action including, where appropriate, reporting any violation to the relevant federal, provincial or regulatory authorities. Directors, officers and Employees that are found to have knowingly violated any laws, governmental regulations or Company policies will face appropriate, case specific disciplinary action.

Protection of Employees

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any Employee in the terms and conditions of employment based upon any lawful actions or such employee with respect to good faith reporting of complaints regarding Accounting Matters.

Unsubstantiated Allegations

If an Employee makes a complaint in good faith pursuant to this policy and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the Employee making the complaint. In making a complaint, an employee should exercise due care to ensure the accuracy of the information disclosed. If after investigation a matter raised under this procedure is found to be without substance and to have been made not in good faith but for malicious or frivolous reasons, the Employee making the complaint could be subject to disciplinary action.

Where alleged facts disclosed pursuant to this policy are not substantiated the conclusions of the investigation will be made known both to the person who made the complaint and to the person(s) against whom any allegation was made in the complaint. The finding that the allegations were not substantiated will be made a part of the record.

Retention of Complaints and Documents

At the direction of the Audit Committee, the Corporate Secretary will maintain a log of all complaints, tracking their receipt, investigation and resolution. All complaints submitted by an employee regarding an alleged violation or concern will remain confidential to the extent practicable. In addition, all written statements, along with the results of any investigations relating thereto, shall be retained by the Company for a minimum of three years.