

QUEST CAPITAL CORP.

CODE OF CONDUCT

INTRODUCTION

This Code of Conduct (the "**Code**") embodies the commitment of Quest Capital Corp. (the "**Company**") and its subsidiaries to promote honest and ethical conduct and to conduct our business in accordance with all applicable laws, rules and regulations and high ethical standards. All officers, employees, and directors (collectively "**Personnel**" or "**Person**") are expected to adhere to the principles and procedures set forth in this Code

This Code is intended to deter wrongdoing and promote the following six objectives:

- Honest and ethical conduct;
- Avoidance of conflicts of interest;
- Full, fair, accurate, timely and transparent disclosure;
- Compliance with applicable government and stock exchange laws, rules and regulations;
- Prompt internal reporting of Code violations; and
- Accountability for compliance with the Code.

CODE COMPLIANCE AND REPORTING

Our Personnel should strive to identify and raise potential issues before they lead to problems, and should ask about the application of this Code whenever in doubt. Any Person who knows or believes that any other Person has engaged or is engaging in Company-related conduct that violates applicable law or this Code has the responsibility promptly to report such information to the Chair of the Audit Committee of the Board of Directors (the "**Audit Committee**") as set out below.

If you are not comfortable reporting directly to the Chair of the Audit Committee, you may report suspected violations anonymously through our Whistleblower Hotline **provided by ConfidenceLine at www.quest-eweb.com**. Acting through our Audit Committee and our Board, we will take such disciplinary or preventive action, as we deem appropriate to address any existing or potential violation of this Code brought to our attention.

If you have any questions or concerns about compliance with this Code or you are unsure of what the "right thing" is to do, you are encouraged to speak with your supervisor, manager or other appropriate person within the Company.

Accounting/Auditing Complaints: You can submit any complaints concerning accounting or auditing issues on an anonymous basis to our Audit Committee through the Whistleblower

Hotline. For direct access to the Company's Audit Committee, please address your auditing and accounting related issues or complaints to:

Dale Peniuk

Quest Capital Corp.
550 Burrard Street, Suite 1028
Vancouver, B.C. V6C 2B5

Telephone: 604-687-8378
Fax: 604-681-4692
Email: dpeniuk@shaw.ca

Third parties may submit complaints concerning accounting or auditing issues directly to the Audit Committee using the above contact information.

All complaints will be considered by the Chair of the Audit Committee and forwarded to one or more appropriate individuals, inside or outside of the Company, for their review. The status of all outstanding concerns addressed to the Chair of the Audit Committee will be reported to the Audit Committee periodically. The members of the Audit Committee may direct specialized support in respect of each such complaint, including the retention of outside advisors or counsel, as may be required, with payment by the Company, for any concern addressed to them.

Failure to comply with the standards outlined in this Code may result in disciplinary action including, but not limited to, reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, discharge and restitution. Certain violations of this Code may require the Company to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution. Moreover, any supervisor who directs or approves of any conduct in violation of this Code, or who has knowledge of such conduct and does not immediately report it, also will be subject to disciplinary action, up to and including discharge.

WHISTLEBLOWER PROTECTION

No adverse action or retribution of any kind (including discharge, demotion, suspension, threats or harassment) will be taken by the Company against any Person because he or she reports in good faith a suspected violation of this Code or other irregularity by any person other than the reporting Person. Any Personnel involved in retaliation in contravention of this policy will be subject to disciplinary action by the Company.

PERSONAL CONFLICTS OF INTEREST

A "personal conflict of interest" occurs when a Person's individual interest interferes with the best interests of the Company. A conflict of interest exists where the interests or benefits of a Person conflict with such Person's ability to act in the best interests of the Company. Personal conflicts of interest, whether actual or apparent, are prohibited as a matter of Company policy, unless they have been approved or waived in writing by the Company.

In particular, a Person must never use or attempt to use his or her position at the Company to obtain any improper personal benefit for himself or herself, for his or her family members, or for

any other person, including, but not limited to, loans or guarantees of obligations, from any person or entity.

Service to the Company should never be subordinated to personal gain or advantage. Conflicts of interest, whether actual or apparent, should, to the extent possible, be avoided.

Any Person who is aware of a material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should discuss the matter promptly with a member of the Audit Committee.

Except as permitted by applicable law, the Company shall not, directly or indirectly, including through any subsidiary, extend or maintain credit, or arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any director or executive officer.

The Company complies with the *Canada Business Corporations Act*, which requires, among other things, the officers and directors of the Company to act honestly and in good faith with a view to the best interest of the Company and its shareholders, to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and, in the case of directors, to abstain from voting as a director for the approval of any such transaction.

PUBLIC DISCLOSURE

It is Company policy that the information in our public communications, including our filings made with the applicable regulatory agencies, be full, fair, accurate, timely and understandable and shall be timely filed or communicated. Our Personnel who are involved in the Company's disclosure process, are responsible for the Company's compliance with this policy. In particular, these individuals are required to maintain familiarity with the disclosure requirements applicable to the Company and are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about the Company to others, whether within or outside the Company, including the Company's independent auditors.

PROPRIETARY AND CONFIDENTIAL INFORMATION

All Personnel are required to maintain the confidentiality of our proprietary information and those aspects of our business that we have not yet shared with shareholders and the general public. Personnel should take all reasonable measures to protect the confidentiality of non-public information about the Company obtained or created in connection with work activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation. You must use proprietary information only for the Company's legitimate business purposes, and not for your personal benefit or the personal benefit of anyone else.

Proprietary and confidential information is any information about the Company that has not been disclosed to the public and includes, without limitation, information regarding:

- Lending practices and policies and the terms and conditions of loans made by the Company;
- Actual or projected sales, earnings or operating results or business transactions;

- Customer and supplier lists, relationships with consultants, contracts, business plans and marketing strategies; and
- Personnel.

It is the responsibility of all Personnel to know what is confidential or proprietary and ensure that they use it only in the performance of their duties with the Company. If unsure, consider any information to be confidential until you obtain clarification from an appropriate and authorized source.

All Personnel must also treat what they learn about our customers, joint venture partners and suppliers and each of their businesses as confidential information. The protection of such information is of the highest importance and must be discharged with care for the Company to merit the continued confidence of such persons. Confidential information to such third parties is information each of them would reasonably consider private, which is not common knowledge outside of that entity and which a Person has learned as a result of his or her position with the Company.

PROTECTION AND PROPER USE OF COMPANY ASSETS

Personnel are entrusted with the care, management and cost-effective use of the Company's property and should not make use of such resources for their own personal benefit or purposes or for the personal benefit of anyone else.

Personnel are responsible for ensuring that all Company property assigned to them for their use is maintained in good condition and each Person should be able to account for any such property. Any dispositions of Company property should be for the benefit of the Company and not for personal benefit.

ACCEPTING OR GIVING GIFTS

Personnel must avoid activities or relationships that conflict with the Company's interests or adversely affect the Company's reputation. The types of activities and relationships you must avoid include, but are not limited to:

- Accepting or soliciting a gift, favour, or service that is intended to, or might appear to, influence decision-making or professional conduct; and
- Giving or offering to give any gift, gratuity, favour, entertainment, reward, "bribe" or "kickback" or any other thing of value that might influence or appear to influence the judgment or conduct of the recipient in the performance of his or her job. This includes transactions with government personnel, customers and suppliers.

Personnel may give or receive unsolicited gifts or entertainment only in cases where the gifts or entertainment are of nominal value, are customary to the industry, will not violate any laws and will not influence or appear to influence the recipient's judgment or conduct.

FAIR DEALING

Personnel should endeavour to deal fairly with the Company's customers, suppliers, competitors and other employees. No one should take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practices.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

It is Company policy to comply with all applicable laws, rules and regulations, including all applicable stock exchange rules and securities regulations. It is the personal responsibility of each Person to adhere to the standards and restrictions imposed by those laws, rules and regulations. If a Person is not aware or familiar with the laws, rules or regulations that apply specifically to our business, he or she must request such information from a member of the Audit Committee. No Person may interfere with or seek to improperly influence, directly or indirectly, the auditing of our financial results or records.

COMPLIANCE, AMENDMENT, MODIFICATION AND WAIVER

It is the role of the Board to seek to monitor compliance with this Code. This Code may be amended or modified by the Board. Waivers from this Code may only be granted by the Board or a committee of the Board with specific delegated authority and will generally only be granted in appropriate circumstances upon full review and consideration of a request for a waiver, on a case-by-case basis. All matters of concern, including requests for waivers, shall be communicated to the Chief Executive Officer. The terms of this Code are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, securityholders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.