

**PETAQUILLA MINERALS LTD.**  
**and its Principal Subsidiaries**  
(collectively, the “Company” or “Petaquilla”)

---

**WHISTLE-BLOWER POLICY**

Petaquilla's Code of Business Ethics and Conduct as well as its Code of Ethics for Financial Reporting Officers provides an overview of Petaquilla's commitment to applying high ethical standards to its business practices. However, they are not intended to be all-inclusive rule books. An English language copy of Petaquilla's Code of Business Ethics and Conducts and its Code of Ethics for Financial Reporting Officers can be viewed on Petaquilla's web site at [www.petaquilla.com](http://www.petaquilla.com) and both Spanish and English language versions are available on the Company's intranet site.

Many of the statements made therein are backed up by in depth policies and procedures. However, in the current working environment, formal policies and procedures cannot always keep up with new challenges or adequately deal with complex situations. Therefore, please never hesitate to ask a question or report a concern.

Petaquilla has also adopted procedures to govern the receipt, retention, and treatment of complaints regarding accounting, internal control or auditing matters, including fraud. The procedures are outlined in the Anti-Fraud Policy.

Your most immediate resource is your direct supervisor. He or she may have the information you need, or may be able to refer the questions to another appropriate source. There may, however, be times when you would prefer not to go to your supervisor. You may want confidential advice about a business ethics dilemma facing you or a suspected wrongdoing. You may want more information than your supervisor can give you or you may want to report an ethical concern about your supervisor's conduct. Examples of such business ethics dilemmas/wrongdoings may include:

- An unlawful act whether civil or criminal
- Breach of or failure to implement or comply with approved policy
- Knowingly breaching municipal, provincial, state, or federal laws or regulations
- Unprofessional conduct or below recognized, established standards of practice
- Questionable accounting or auditing practices
- Dangerous practice likely to cause physical harm/damage to any person or property
- Failure to rectify to take reasonable steps to report a matter likely to give rise to a significant and avoidable cost or loss to the Company
- Abuse of power or authority for any unauthorized or ulterior purpose
- Unfair discrimination in the course of the employment or provision of services
- Any other similar acts

You can discuss these types of concerns with the Chairman of the Audit Committee or the Chief Financial Officer. Alternatively, you can file a report, an anonymous report if you wish, with an independent third party, at the numbers listed below without fear of reprisal:

**Do you have a question, a concern, or wish to file a report?**

<p style="text-align: center;"><b><i>CALLS FROM CANADA AND THE UNITED STATES</i></b></p> <p style="text-align: center;">Call the Whistle-Blower Hotline controlled by an independent third party at: 1-877-749-2924</p> <p><b>(you may remain anonymous if you choose to)</b></p>	<p><b>OR</b></p>	<p style="text-align: center;"><b><i>CALLS FROM PANAMA</i></b></p> <p style="text-align: center;">Call the Whistle-Blower Hotline controlled by an independent third party using one of the two methods described below:</p> <p><b>METHOD 1:</b> If you are dialing from a Company office or a Company owned mobile phone, please dial 1-877-749-2924.</p> <p><b>METHOD 2:</b> If METHOD 1 fails or if you are calling from a non-Company, please dial the AT&amp;T Access Code of 800-0109 and wait for the prompt, a voice recording followed by a “bong” or operator to dial the number. Then please dial 1-877-749-2924. If an operator has answered, please ask the operator to dial 1-877-749-2924 for you.</p> <p>You will hear a pre-recorded greeting, select Spanish as your language. You will then hear music while an Interview Specialist is connected to your call with an interpreter.</p> <p style="text-align: center;"><b>(you may remain anonymous if you choose to)</b></p>
---	------------------	--

Your request for information or action will be handled promptly, discreetly, and professionally. The conversation will be kept in confidence to the extent appropriate or permitted by policy or law. If you're reporting a concern, you will be informed as much as possible about the steps that will be taken to address your concern.

In no order of preference, the official contacts for reporting suspected fraudulent or other dishonest acts are any or all of the following:

- (a) The Company’s Chairman of the Audit Committee;
- (b) The Company’s Chief Financial Officer; and/or
- (c) The independent third party Whistle-Blower Hotline.

Employees, with a reasonable basis for believing such acts have occurred, have a responsibility to report it to their supervisor, to the Company’s Chairman of the Audit Committee, to its Chief Financial Officer and/or to the Whistle-Blower Hotline. As mentioned above, employees have the option of forwarding their concern anonymously.

The official contacts, as noted above, will then determine if an investigation is warranted. If it is determined that an investigation is warranted, they will investigate the suspected fraudulent or dishonest act and depending on the nature of the complaint, may consult the Company’s legal counsel or the Board of Directors.

Employees shall not confront the individual being investigated, or initiate independent investigations. In those instances where the investigation indicates criminal activity, the appropriate law enforcement agency will be informed.

Where possible, the official contacts may undertake the following process:

- (a) investigation by the Chairman of the Audit Committee and/or Chief Financial Officer
- (b) referral to the police or appropriate authorities
- (c) referral to the external auditor
- (d) an independent inquiry

In order to protect individuals and those accused of misdeeds or possible malpractice, initial inquiries will be made to decide whether an investigation is appropriate and, if so, what form it shall take.

The overriding principle with which the Company will act is the interest of the Company and its shareholders.

Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.

Within fifteen (15) working days of a concern being raised, the responsible officer will write to you:

- (a) acknowledging that a concern has been received;
- (b) indicating how he/she proposes to deal with the matter;
- (c) giving an estimate of how long it will take to provide a final response
- (d) telling you whether any initial enquiries have been made; and
- (e) telling you whether further investigations will place and if not, why not.

The amount of contact between the persons considering the issues and you will depend on the nature of the matter raised, the potential difficulties involved and the clarity of information provided. If necessary, the Company will seek further information from you.

The Company will take steps to minimize any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings the Company will arrange for you to receive advice about the procedure.

The Company accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, we will inform you of the outcomes of the investigation.

Concerns will be investigated as quickly as possible. It should also be kept in mind that it may be necessary to refer a matter to an external agency and this result in an extension to the investigation process. Also, the seriousness and complexity of any complaint may have an impact upon the time taken to investigate a matter. A designated person will indicate at the outset the anticipated time scale for investigating the complaint.

If you raise a concern or report suspected wrongdoing by your supervisor, another employee,

officer, member of the board of directors, and/or the Whistle-Blower hotline, Petaquilla will not take action against you even if, after investigation, there is no finding of wrongdoing, and will not tolerate retaliation or allow you to be victimized as long as (a) your report was made in good faith, (b) you believed it to be substantially true, (c) you were not maliciously making false allegations, and (d) you were not seeking any personal or financial gain.

If you call one of the official contacts and choose to remain anonymous, your right to do so will be respected. You should know, however, that it's normally easier to investigate concerns if you identify yourself and the others involved. Please note that should you choose to email any of the official contacts, your e-mail address will show up on your message.

Petaquilla's legal counsel, corporate security and human resources personnel will be involved in the process, as appropriate. We will always inform the appropriate human resources personnel of any suspected cases of unlawful discrimination or harassment.

Acting with integrity, honesty and in good faith with respect to what is in the best interests of the Company's stakeholders is fundamental to the Company's reputation and ongoing success. Petaquilla is committed to sustainable growth within the parameters of protecting the environment, ensuring the safety and well-being of its employees, and supporting the communities in which it operates. The directors, officers, senior employees and consultants of the Company must be committed to upholding these responsibilities in all facets of the Company's day to day operations.

The Directors shall cause the entire "Whistle-Blower Policy" to be officially translated into Spanish and shall further cause both Spanish language and English language versions to be posted on the Company's intranet site for viewing by all directors, officers and employees of the Company. In addition, the "Whistle-Blower Policy" will be posted in hardcopy format for viewing in all Company locations.

The Board of Directors is responsible for approving any updates or changes to the provisions of this Policy. Additionally, any updates or changes to the provisions of this Policy must be publicly disclosed in a prompt manner.

This Policy, pursuant to Section 301.4 of the Sarbanes-Oxley Act requiring audit committees to establish procedures for receiving and handling complaints related to accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters, was amended by the Board of Directors of Petaquilla Minerals Ltd. on the 31<sup>st</sup> day of May, 2008.

By order of the Board of Directors  
**PETAQUILLA MINERALS LTD.**

Policy Approval Date:	2008 March 1
Last Revision Date:	2008 May 31