

WHISTLEBLOWER POLICY

POLICY AND PROCEDURES FOR SUBMISSION OF COMPLAINTS RELATING TO FINANCIAL AND OTHER MATTERS

Purpose and Application

North American Palladium Ltd. and its subsidiaries (collectively, the “**Company**”) strive to maintain high standards of integrity and accountability in conducting business. The guidelines and principles that should govern our business conduct are set out in the Company’s code of conduct (the “**Code**”) which may be accessed at www.nap.com/about_governance.htm. As part of our commitment to ethical and responsible business conduct, we are also committed to maintaining accountability for our accounting, internal controls and auditing processes (“**Financial Matters**”). It is also our policy to seek to ensure compliance with all applicable legal and regulatory requirements relating to our business in all material respects.

The purpose of this whistleblower policy (the “**Policy**”) is to provide all employees, officers and directors of the Company with a process for disclosing complaints or concerns regarding perceived or suspected (i) questionable Financial Matters, (ii) non-compliance with the Code, and (iii) unethical or illegal behaviour (collectively, “**Reportable Matters**”). This Policy tells you how and where to submit a complaint or concern, who will deal with your complaint and how that complaint is expected to be handled, processed and documented. This Policy also describes the standards and principles that are expected to govern the processing of all complaints and concerns.

Reporting Process - General

All employees, officers and directors are required to report complaints or concerns regarding Reportable Matters to someone who can address them properly. The following management representatives have been specifically designated for handling communications regarding non-financial Reportable Matters. Please contact the appropriate management representative (“**Management Representative**”) depending on where you are located:

1. Mine site: General Manager
2. Exploration office: Director of Exploration
3. Regional office: Controller
4. Corporate office: General Counsel

If the Management Representative concludes that the complaint or concern might be covered by this Policy, the Management Representative must report the complaint or concern to the Company’s General Counsel.

If you are not satisfied or comfortable reporting the complaint or concern to a Management Representative, the report may be made directly to the Company’s General Counsel as follows:

1. by telephone: 416-360-7971 ext. 225

2. in writing: Attention: General Counsel
North American Palladium Ltd.
2116-130 Adelaide St. West
Toronto, Ontario M5H 3P5
3. email: tmell@nap.com
4. confidential fax: 416-360-0607

Reporting Process – Financial Matters

In the case of perceived or suspected questionable Financial Matters the general reporting process above should not be followed. Instead, you should communicate directly with the Company's General Counsel (using the contact information above). The General Counsel will communicate the concern to the Company's Audit Committee.

If you are not satisfied or comfortable reporting the complaint or concern to the Company's General Counsel, the report may be made directly to the Chairperson of the Company's Audit Committee as follows:

1. by telephone: 918-812-3641
2. in writing: Attention: Chairperson, Audit Committee
North American Palladium Ltd.
c/o Simon Romano, Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9
3. email: napauditenquiry@tbaytel.net

This email account is confidential and can only be accessed by the Chairperson of the Company's Audit Committee.

Handling of Reported Violations

Once your concern has been communicated to the General Counsel or Chairperson of the Company's Audit Committee (the "**Designated Official**") of the Company, the following procedures must be followed:

1. The Designated Official will confirm receipt of your complaint or concern, unless made anonymously.
2. The Designated Official will register your complaint in a log and open a file. Both will be kept confidential and secure.

3. If the Designated Official determines that your complaint or concern is covered by this Policy, he or she will conduct an investigation and determine whether further action is required.
4. The Designated Official must comply with all laws and regulations in conducting the investigation.
5. All investigations will be conducted as efficiently as possible, taking into account the nature and complexity of the issues involved.
6. Any complaint that is well-founded and that may have material adverse consequences for the Company will be reported to the Company's Audit Committee or Board of Directors.
7. On a quarterly basis, the Designated Official will report to the Company's Audit Committee or Board of Directors and to the Company's external auditors the aggregate number of complaints received, investigations conducted and the outcome of those complaints and investigations.

Confidentiality

The Company, including all persons designated to handle complaints under this Policy, will make all reasonable efforts to keep communications confidential to the fullest extent permitted by law, and to the extent possible consistent with the need to conduct an adequate investigation. We encourage you to identify yourself when making a complaint or communicating a concern. However, you may also do so anonymously. Confidential, anonymous complaints concerning Reportable Matters should be communicated to the appropriate Designated Official. All correspondence should be marked as "CONFIDENTIAL".

No Retaliation

It is the Company's policy to seek to ensure that you can communicate freely in respect of matters covered by this Policy and seek to be protected from any form of penalty or adverse employment consequence, including discharge, suspension, demotion or transfer, harassment or discrimination ("**retaliation**"). Every employee, officer and director who makes a complaint in good faith regarding a perceived violation under this Policy is required to be protected against any retaliation. Any director, officer or employee who retaliates against someone who has reported a violation in good faith under this Policy may in turn be subject to discipline up to and including termination of employment.

Acting in Good Faith

Anyone filing a complaint under this Policy must be acting in good faith and have an honest belief that the complaint is well-founded, including a reasonable factual or other basis. Any complaints based on allegations that are without basis, cannot be substantiated, or that are proven to be intentionally misleading or malicious, will be viewed as a serious offence.

Complaints from Third Parties

Securities laws require the Company to establish procedures for the receipt, retention and treatment of complaints regarding Financial Matters. This may include complaints that are received from third parties. Complaints from third parties regarding Financial Matters should be forwarded directly to the Company's General Counsel or Chairperson of the Company's Audit Committee as outlined above under "*Reporting Process – Financial Matters*".

This Policy is not intended to give rise to civil liability on the part of the Company or its directors or officers, to shareholders, suppliers, customers, competitors, employees or other persons, or to any other liability whatsoever on their part.

This Policy was adopted by the Governance, Nominating and Compensation Committee on March 17, 2010.