



**CODE OF CONDUCT
AND
STANDARD OF ETHICS**

**A charter for business practice and ethical conduct
at PetroHunter Energy Corporation**

To our Directors, Officers, Employees and Business Partners

We all serve our shareholders, business partners and ourselves by being the best business possible. We seek to do so through hard work, honesty, and absolute and unwavering integrity. The Code of Conduct and Standard of Ethics is the PetroHunter Energy Corporation's charter for ethical conduct. It requires each of us individually to accept the responsibility to maintain the high standards necessary for a successful company. Personal integrity is and must always be the cornerstone of our success. Each of us should be proud of our company and each of us must be diligent to ensure that high standards of ethical practice are practiced and continued.

The contents of this document contain management expectations for business conduct and apply to all actions of every director, officer, and employee and every contractor, agent, and business partner in their dealings with us. It applies to PetroHunter Energy Corporation and all its subsidiaries and affiliates. It is important that you read this Code of Conduct, and that you fully understand and comply with its provisions. Do not hesitate to seek clarification if you have any questions regarding how these guidelines apply to you.

I have signed a statement confirming that I have read this Code carefully, and I expect you to do the same by signing the confirmation form that appears on the final page.

Please be diligent in following both the letter and spirit of this Code. Our reputation for excellence relies upon your personal adherence to these principles. Our Company's success and our corporate and personal reputations depend upon on the way we conduct our business. Our ethics can never be in question.

Should you have any questions, comments or concerns regarding the provisions of this Code, please call one of the Company contacts listed.

Please note that this Code is not an employment contract and does not modify the employment relationship between you and us. We do not create any contractual rights by issuing these policies, and we reserve the right to amend, alter and terminate policies at any time as circumstances warrant. That being said, issues of integrity, credibility and trustworthiness are core values that will not be amended, altered or revised.

Charles B. Crowell,
Chief Executive Officer

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Note: This Code and related policies are current as of January 22, 2008. In adopting and publishing these guidelines, you should note that (1) in some respects our policies may exceed minimum legal requirements or industry practice, (2) nothing contained in this Code should be construed as a binding definition or interpretation of a legal requirement or industry practice, and (3) we do not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, we reserve the right not to provide a defense or pay damages assessed against employees for actions in violation of this Code or the law.

Introduction

PetroHunter Energy Corporation stands for integrity, credibility and trustworthiness. These are more than ideals; they are the essence of our corporate business policy. They are the standards that every one of us must strive to meet in our conduct and business dealings. We owe our shareholders nothing less.

Our high business standards will be more effectively carried out in practice if there is a clear expression and understanding of the kinds of conduct that are against company policy. That is the purpose of our Code of Conduct and Standard of Ethics.

Your Responsibilities

It is the responsibility of every one of us to read this Code, to understand it, and to comply with all applicable laws, rules and regulations and all provisions of this Code and its related policies and procedures. All officers and managers are responsible for ensuring that employees under their supervision are familiar with this Code and are consistently applying it in all their business conduct and dealings.

Each of us must report any violations of laws, rules, regulations or this Code to the appropriate personnel. Failure to report such violations and failure to follow the provisions of this Code may have serious legal ramifications and may result in disciplinary action by the company against employees involved, up to and including termination of employment. If you suspect that a violation of the law or this Code has occurred, you should report the activities, which gave rise to such suspicion.

We take this Code very seriously, our employees, directors and agents may report violations of and ask questions of regarding the Code to any of our corporate officers, our compliance officer or Fay Matsukage, our corporate compliance attorney. If you ever have any questions regarding the Code or must report a violation of the law or this Code, please call. See “Asking for Help and Reporting Concerns” and ”Whistle Blower Protection” in this Code for more detailed instructions on asking questions or reporting concerns.

Complying with the Code

This Code summarizes certain laws and the ethical policies that apply to all of our directors, officers, employees, and parties with whom the company does business (referred to in this Code as “business partners” and including contractors, consultants, agents, advisors, customers, suppliers, co-owners, co-venturers, and investors as appropriate). Several policy summaries in this Code refer to more detailed policies that either (1) concern more complex company policies or legal provisions, or (2) apply to select groups of individuals within our company. If these detailed policies are applicable to you, it is important that you read, understand, and comply with them. These policies have been distributed to all our employees and are referred to in our Employee Handbook. If you have questions as to whether any detailed policies apply to you, contact your supervisor.

Situations that involve ethics, values and violations of certain laws are often complex. No single code of conduct can cover every business situation that you will encounter. If you do not understand a provision of this Code, are confused as to what actions you should take in a given situation, think you need to report a violation of the law or this Code, or are trying to report a violation of the law or this Code, you should follow the compliance procedures contained in the “Asking Questions and Reporting Concerns” and “Whistle Blower Protection” sections of this Code. Those procedures will generally direct you to a corporate officer or our compliance attorney. The thrust of our procedures is *when in doubt, ask*. There are few situations that cannot be resolved if you discuss them with the appropriate individual or individuals in an open and honest manner.

Individual sections of this Code will often direct you to disclose information to or to contact specific individuals who are best suited to deal with certain issues or questions. The contact individuals whom you should contact in the section entitled “Asking for Help and Reporting Concerns” can always be contacted in addition to or in lieu of contacting the specific individuals noted in other sections of this Code.

Reference in this Code to our compliance officer is Kyle WhiteJohnson, legal counsel means Fay M. Matsukage, our general counsel relating to compliance and outside corporate counsel as named in our annual report or our SEC filings.

References in this Code to the “company” include PetroHunter Energy Corporation, and any other subsidiaries.

Your Approach to Complying With the Code

After reading this Code, you should:

- Have a thorough knowledge of the Code’s terms and provisions.
- Be able to recognize situations that present legal or ethical dilemmas.
- Be able to deal effectively with questionable situations in conformity with this Code.

In order to accomplish those goals, you should take the following steps:

- Read the entire Code thoroughly.
- If there are references to more detailed policies that are not contained in this Code, obtain and read those policies if they are applicable to you.
- Think about how the provisions of this Code apply to your job, and consider how you might handle situations to avoid illegal, improper, or unethical actions.
- If you have questions, ask your manager, any corporate officer, or the compliance officer or see the “Help and Reporting Concerns” section of the Code.

When you are faced with a situation and you are not clear as to what action you should take, ask yourself the following questions:

- Is the action legal?
- Does the action comply with this Code?
- How will your decision look to others? If your action is legal but can result in the appearance of wrongdoing, consult your supervisor or follow the Code's compliance procedures.
- How would you feel if your decision were made public? Could the decision be honestly explained and defended?
- Have you contacted your supervisor or otherwise followed the Code's compliance procedures regarding the action?

To reiterate, *when in doubt, ask*.

Special Notice for Senior Financial Officers

Our senior financial officers, including our chief executive officer, chief financial officer, and controller, hold a special relationship of trust as stewards of our financial statements. Like all of our other employees, our senior financial officers are expected to familiarize themselves with all sections of this Code. Nevertheless, these financial officers have special responsibility for our financial reporting and public disclosure. Accordingly, they should pay particular attention to the sections of this Code titled "Conflicts of Interests," "Legal Compliance," "Record Retention," "Securities Laws" and "Accurate and Complete Accounting and Disclosure," as well as our more detailed Financial Code of Conduct (posted on our web site at www.petrohunter.com) policies concerning those matters.

Fair Dealing

We have built a reputation as a trustworthy and ethical member of our community and our industry. We are committed to maintaining the highest levels of integrity and fairness within our company. When we fail to negotiate, perform or market in good faith, we may seriously damage our reputation and lose the loyalty of our business partners. That's why we insist that you conduct business honestly and fairly. You should endeavor to deal fairly with our business partners and even our competitors. You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

We strive to do business with business partners of sound business character and reputation. We do not knowingly support any public or private organization, which espouses discriminatory policies or practices. We expect all our employees and our business partners to perform their work with honesty, truthfulness and integrity.

Legal Compliance

First and foremost, our policy is to behave in an ethical manner and comply with all laws, rules and government regulations that are applicable to our business. Although we address several important legal topics in this Code, we cannot anticipate every possible situation or cover every topic in detail. It is your responsibility to know and to follow the law and conduct yourself in an ethical manner. No director, officer, executive or manager of the company has authority to violate any law or to direct another employee or any other person to violate any law on behalf of the company. It is your responsibility to report any violations of the law to appropriate personnel. You may report such violations by following the compliance procedures contained in the sections of the code entitled “Asking for Help and Reporting Concerns” and “Whistle Blower Protection.”

Supervisors must ensure that employees are informed of and understand the requirements relating to their jobs. Supervisors must also be available to answer questions and guide them to other company subject matter experts when necessary. Whenever doubt or ambiguity exists, advice of legal counsel should be obtained at the manager or department head level or above, unless urgent circumstances dictate otherwise.

*This discussion is not comprehensive and you are expected to familiarize yourself with all laws and regulations relevant to your position with us, as well as all our related written policies on these laws and regulations. To this end, your supervisor and our legal counsel **are** available to answer your calls and questions, and provide you with all pertinent background information. If you have any questions concerning any possible reporting or compliance obligations, call and seek guidance from your supervisor, our legal counsel, or other individuals in management positions.*

Accurate and Complete Accounting and Disclosure

Consistent with our general record retention policy of maintaining records in reasonable and appropriate detail, we must maintain accounting records of the highest possible quality. Our senior financial officers and all other employees with supervisory duties should establish and implement appropriate internal accounting controls over all areas of their responsibility to ensure the safeguarding of the assets of the company and the accuracy of its financial records and reports and of its public disclosure. We expect that you will record all financial transactions (such as, sales, leases or purchases) truthfully, accurately and in sufficient detail so that our accounting records are reliable and fairly reflect the nature of the transactions. The information derived from these records is often provided to our shareholders and investors as well as government agencies. Thus, our accounting records must follow generally accepted accounting principles and other laws and regulations such as those of the Internal Revenue Service and the Securities and Exchange Commission to insure that the information we provide to them is full, fair, accurate, timely and understandable in light of the circumstances surrounding disclosure. In this regard, all officers and employees involved in the preparation of such reports should become familiar with and adhere to the company’s Disclosure Controls and Procedures.

All revenues, expenses, assets and liabilities must be entered into our books and records in an accurate and timely fashion. You may not maintain any unrecorded or secret fund, reserve, asset

or account for any purpose. No false, fictitious or misleading entries may be made in our books, records or accounts for any reason. You may not make any payment or transfer of funds or assets with the intent that any portion is to be used for any purpose other than that described in the documents supporting the payment or transfer. No invoices believed to be false or fictitious may be paid. All accounting personnel, financial officers and executive officers should follow generally accepted accounting principles and administer company books and accounts in accordance with our other established accounting policies and internal controls.

Any accounting adjustments that materially depart from GAAP must be approved by the audit committee and reported to the company's independent auditors. In addition, all material off-balance-sheet transactions, arrangements and obligations, contingent or otherwise, special purpose entities, related-party transactions involving the company and any of its directors, officers, managers or employees, and other relationships of the company with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses must be disclosed to the audit committee and the company's independent auditors.

Our internal and external auditing functions are integral components that help ensure that our financial books, records and accounts are accurate. Therefore, you should provide our accounting department, internal auditors, audit committee and independent public accountants with all pertinent information that they may request. We encourage open lines of communication with our audit committee, accountants and auditors and require that all our personnel cooperate with them to the maximum extent possible. It is unlawful for you to fraudulently induce, coerce or mislead our independent public accountants for the purpose of making our financial statements misleading. In addition, officers and directors, or any person acting under their direction, are prohibited from fraudulently influencing an independent public or certified accountant who is performing an audit of our financial statements.

Reporting Concerns about Accounting, Auditing and Financial Matters:

The audit committee of the board of directors has established procedures for the receipt, retention, and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters. The audit committee has final responsibility and authority for the investigation and handling of any concerns or complaints relating to accounting and auditing practices.

If you are unsure about the accounting treatment of a transaction or believe that a transaction has been improperly recorded or you otherwise have a concern regarding a questionable accounting practice or audit matter, you may confer with your immediate supervisor, our chief financial officer, chief accounting officer, controller or assistant controller or you may submit your concern, on a confidential, anonymous basis, to the audit committee of our board of directors by calling the Board of Directors Audit Committee Chairman and request that your concerns be presented directly to the audit committee. Reports of questionable accounting or audit practices will be kept confidential to the extent possible consistent with the audit committee's obligation to investigate and correct unlawful or unethical accounting or audit practices.

Suspected breaches of financial policy, which may directly or indirectly affect our business must be reported and investigated. Supervisors and managers who become aware of any questionable accounting or auditing matters, or who receive complaints or concerns from other employees, must immediately report them to the audit committee. Supervisors and managers who receive complaints of questionable accounting or auditing matters must consult with the audit committee before undertaking an investigation or other action.

We will not retaliate against any employee for filing a good faith complaint or for cooperating in an investigation and will not tolerate or permit retaliation by management, employees or co-workers. For more information about our financial policy see our “Financial Code of Ethics”, and for policy encouraging the reporting of suspected violations of law or our company policies, see “Whistle Blower Protection” in this Code.

Record Retention

All information you record or report on our behalf, whether for our purposes or for third parties, must be done accurately and honestly. All of our records (including accounts and financial statements) must be maintained in reasonable detail, must be kept in a timely fashion, and must appropriately reflect our transactions. Recording data in a timely and truthful manner protects our company resources and meets the expectations of those people, including investors and business partners, who rely on the accuracy of our books and records to perform their jobs. Falsifying records or keeping unrecorded funds and assets is a severe offense and may result in prosecution or loss of employment.

We will retain all books, records and statements in accordance with our record retention policies and all applicable laws and regulations. From time to time we are involved in legal proceedings that may require us to make some of our records available to third parties. Our legal counsel will assist us in releasing appropriate information to third parties and provide you (or your supervisor) with specific instructions. It is a crime to alter, destroy, falsify, modify or conceal documentation or other objects that are relevant to litigation or a government investigation. The law applies equally to all of our records, including not only formal reports but also all less formal data such as E-mail, expense reports and internal memos. If you are informed that information in your possession is the subject of litigation or a government investigation, or if you have other reason to believe that such information may be involved in a judicial proceeding, no matter whether you think it is relevant or not, you are prohibited from making any effort to alter, destroy, modify or conceal that information. Your supervisor and our legal counsel will be able to help you with any questions.

Conflicts of Interest

All of us must be able to perform our duties and exercise judgment on behalf of the company without influence or impairment, or the appearance of influence or impairment, due to a non-company activity, interest or relationship. Put more simply, when our loyalty to the company is impacted by actual or potential personal benefit or influence from an outside source, a conflict of interest exists.

We should all be aware of any potential influences which impact or appear to impact our loyalty to the company. Any time you believe a conflict of interest could exist, you must report such conflict by following the compliance procedures contained in the section below entitled “Asking for Help and Reporting Concerns.” The ultimate determination as to whether a conflict of interest exists is to be made by the company and not each of us individually.

There are three broad categories of conflicts of interest, which are prohibited by this conflict of interest policy. Conflicts of interest arise:

- When your private interest interferes in any way—or even appears to interfere—with the interests of the company as a whole;
- When you take actions or have interests that may make it difficult to perform your company work objectively and effectively; and
- When you, or a member of your family or any other person, receive improper personal benefits as a result of your position in the company. Loans to, or guarantees of obligations of, such persons are of special concern.

This section will contain summaries of certain potential conflicts of interest situations, each of which will fall into one or more of the categories of conflicts of interest listed above. It is not possible to list every conceivable conflict of interest that could arise but the policies and situations discussed below are illustrative of the types of situations, which often present conflicts of interest.

Gifts and Entertainment

Commercial bribery is illegal. Our business should be generated based on the quality of the services we provide. Likewise, services provided to us must be based on the qualifications of the service provider and not on any undue influence. There are two broad situations where your actions may be deemed to be, or may appear to constitute, commercial bribery: (a) when you directly or indirectly accept gifts, entertainment or favors from anyone with whom the company does business, and (b) when you directly or indirectly provide gifts or favors to the company’s business partners, prospective business partners, and public officials and others who are affiliated with such individuals.

As a general rule, and subject to the discussion below, our employees, contractors, agents, officers and directors may not solicit or accept any favors, gifts, free services, discounts, entertainment, or special considerations of any kind in connection with a company business activity.

As a general rule, and subject to the discussion below, the provision of gifts, entertainment or favors to the company’s business partners, prospective business partners, and public officials and others who are affiliated with such individuals should be avoided unless pre-approved by an officer of the company, your manager or the compliance officer.

The following additional guidelines should be followed with respect to receiving or providing gifts, entertainment or favors in your role as an employee, director or officer of the company:

“When You Give Gifts”

- You must ensure that business entertainment and gifts for business partners, prospective business partners, public officials and others who are affiliated with such individuals cannot be construed as bribes or improper inducements to engage in business with the company. No business entertainment or gift should go beyond what is considered to be in good taste or what constitutes customary business standards in the community involved. Assume that all entertainment and gifts that you provide will become publicly known.
- Prior to providing any gifts, entertainment or favors to business partners, prospective business partners, public officials, or others who are affiliated with such individuals, obtain pre-approval of such items from your manager, our Compliance Officer or our legal counsel. Gifts, entertainment or favors for business partners, prospective business partners, public officials, or others who are affiliated with such individuals will typically not be allowed if they are above nominal value. All funds expended for business entertainment and gifts must be fully and accurately documented and reflected in the books and records of the company.

“When You Receive Gifts”

- In any event, you must report your acceptance of any gifts, entertainment or favors to your manager or our compliance officer.
- You should not accept gifts, entertainment or favors from business acquaintances at suppliers (*i.e.*, companies that provide services or do work for the company) or other individuals or representatives of companies who are seeking a business relationship with the company if you are not in a position to reasonably reciprocate such gifts, entertainment or favors. If you believe that it is in the company’s interest for you to accept certain gifts, entertainment or favors but you do not reasonably believe that you can reciprocate, contact your manager or our compliance officer.
- If you feel that you should refuse to accept a gift in accordance with the terms of this Code, but also feel that your refusal would be awkward or insulting, accept the gift, if lawful, and immediately inform your manager or our compliance officer.
- Normal business entertainment such as lunch, dinner, theater, a sporting event, and the like, is appropriate if of a reasonable nature and in the course of a meeting or another occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations. All such entertainment should be reported (in advance, if practical) by the employee to his or her supervisor. No employee may accept tickets or invitations to entertainment when the prospective host will not be present at the event with the employee.
 - The following types of items may generally be accepted by an employee:
 - Reciprocal means (food and beverages).

- Advertising articles (pens, paperweights, ashtrays, hats, jackets, shirts and similar items bearing the donor's logo or company name).
 - Holiday foods or beverages (turkeys, hams, liquor).
 - Sports or theater tickets (individual events only).
 - Pleasure trips (sports events, hunting, fishing, golfing, etc.) customarily made available to other customers of the sponsoring organization, but only as part of a group, not individually with a person from the sponsoring organization, unless otherwise approved.
- The following types of items and services may not be accepted by an employee regardless of value:
- Cash.
 - Personal clothing, jewelry, etc.
 - Loans or financing (except at prevailing commercial rates and terms with banks or other lending institutions).
 - Credit cards.
 - Transportation equipment (autos, trucks, boats, etc.)
 - Establishment of credit on behalf of the employee.
 - Airline or other transportation tickets and/or individual charters (except for permitted pleasure trips referred to above).
 - Discounts on personal purchases.
 - Improvements or repairs to personal or real property (except at prevailing commercial rates and terms).
 - Sale or purchase of personal or real property (except at prevailing commercial rates and terms).
 - Gift certificates.
 - Finder's fees or fees for the referral of business.

“Special Situations Abroad”

Employees working or traveling in foreign countries are sometimes told by government officials or other persons that money should be paid for certain privileges, services or actions that would cost nothing in the United States or Canada. No such payments should be made without prior specific approval of our legal counsel. If circumstances make such prior approval impossible, the payment should be disclosed to our legal counsel as soon afterward as feasible.

“Indirect Conflicts of Interest”

Often, situations arise where you engage in certain activities with customers or other business acquaintances and receive an indirect benefit/favor from such individuals. These are often difficult conflict of interest situations to identify and when in doubt as to a conflict situation, contact your supervisor or follow the compliance procedures contained in the “Asking for Help

and Reporting Concerns” section of this Code to obtain specific guidance concerning a particular action.

Further information about our policies concerning business entertainment and gifts is contained in our Human Resources Policy and Procedures Handbook in the section entitled “Gifts.”

Loans

Pursuant to the Sarbanes-Oxley Act, loans to our executive officers and directors are prohibited. We may not, directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any of our directors or executive officers (or equivalents thereof). As to any extension of credit that had been maintained by us as of the date of the enactment of the Sarbanes-Oxley Act, we may not materially modify any term of any extension of credit or renew any such extension of credit.

Interests in Competitors, Suppliers and Third Parties

You should not have any direct or indirect interest in any transaction to which the company will be a party if your interest or relationship could influence, or appear to influence, your actions with regard to your company duties. You should not have any financial or other interest in any competitor, supplier (*i.e.*, someone who provides products or services to the company) or third party with whom the company is doing business or proposing to do business.

If any of the following relationships exist, you must notify your supervisor, who will bring appropriate situations to the attention of our legal counsel:

- if you have ownership interests in a competitor, supplier or third party with whom we are doing business or are proposing to do business;
- if you are currently an employee, director, agent or officer of a company supplier or third party that is doing business or proposes to do business with us;
- if you, directly or indirectly, engaged in or engage in transactions with one of our competitors, suppliers or third parties; or
- if you are uncertain whether your relationship with or interest in a competitor, supplier or third party constitutes a conflict of interest.

NOTE: These restrictions do not apply to ownership of less than one-percent of the securities of a company whose securities are traded on a national securities exchange.

Business Dealings Involving Relatives

You should follow two general rules with regard to your business dealings with your relatives:

- You should not be in a position to influence our decision to engage in business directly or indirectly with one or more of your relatives.

- You must disclose to your manager, who will bring to the attention of our compliance officer or legal counsel any situation in which one of your relatives has an interest, similar to the interests discussed in the immediately preceding section, in a competitor, supplier or party to any transaction involving us.

“Relative” includes your spouse, child, parents, brothers and sisters and their spouses, sons-in-law, daughters-in-law, other in-laws and any relative who resides with you. If you have any questions regarding any item in this section, please contact your supervisor who will bring such questions to the attention of our legal counsel.

Political Contributions

None of our funds or assets may be contributed to any political candidate or political party, unless such contribution is expressly permitted by law and is approved by the chief executive officer or our legal counsel. This prohibition relates only to the use of our funds or assets. It is not intended to discourage employees from making personal contributions to political candidates or parties of their choice through lawful channels. Employees must not, however, be reimbursed by the company in any way, directly or indirectly, for such personal contributions.

Equal Opportunity

We are committed to providing equal employment opportunities for all our employees and will not tolerate any speech or conduct that is intended to, or has the effect of, discriminating against any employee because of his or her race, color, religion, sex (including pregnancy, childbirth or related medical conditions), national origin, age, physical or mental disability, veteran status or any characteristic protected by law. We will not tolerate discrimination by anyone – officers, managers, supervisors, co-workers, vendors or our customers. If you observe conduct that you believe is discriminatory, or if you feel you have been the victim of discrimination, you should notify your manager or the compliance officer immediately.

Not only do we forbid unlawful discrimination, we take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, color, religion, sex (including pregnancy, childbirth or related medical conditions), national origin, age, physical or mental disability, veteran status or any characteristic protected by law.

One of the tenets of this Code is that all employees are accountable for promoting equal opportunity practices within our company. We must do this not just because it is the law, but also because it is the right thing to do.

We will not retaliate against any employee for filing a good faith complaint under our antidiscrimination policies or for cooperating in an investigation and will not tolerate or permit retaliation by management, employees or co-workers.

Anti-Harassment Policies

We are committed to a work environment free of unlawful harassment. Our policy prohibits unlawful harassment based on sex, race, religious creed, color, national origin or ancestry,

disability, marital status, age, or any other basis protected by law or regulation. Our anti-harassment policy applies to all persons involved in our operation and prohibits unlawful harassment by any of our employees, supervisors, co-workers, and/or customers, vendors or clients.

Unlawful harassment includes but is not limited to:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
- Visual conduct such as derogatory and/or sexually oriented posters, photography, cartoons, jokes, drawings or gestures;
- Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work because of race, sex or any other protected basis;
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors;
- Retaliation for having reported or threatened to report harassment.

While we will not tolerate unlawful harassment of any type, we understand that sexual harassment, in particular, encompasses more than just unwelcome sexual advances or requests for sexual favors. It may also include conduct that unreasonably interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment. Neither type of sexual harassment is acceptable in our workplace.

Further, although the law does not prohibit consensual, "romantic" or sexual relationships between employees, we recognize that such associations may at some point lead to distractions in the workplace and unhappy complications for all concerned. That is especially true for relationships involving a supervisor/manager and an employee for which he or she has supervisory responsibility. The potential for harassment, real or perceived, in such situations increases significantly, exposing the company to potential claims and jeopardizing the jobs of the people involved. Accordingly, employees who become involved in such personal relationships with other Company employees should be particularly sensitive to the need to avoid conduct that could be construed as harassment in violation of our policy.

More detailed information regarding unlawful harassment is contained in a section of our Employee Handbook entitled Unlawful Harassment and in the accompanying policy. If you believe you have been unlawfully harassed, you must report the conduct to your supervisor immediately. Alternatively, if you would prefer to notify another company official, you may advise our office manager, the officer responsible for your work, or the compliance officer.

Workplace Integrity

Company property, facilities or physical resources may not be used for solicitation or distribution activities, which are not related to an employee's services to the company, except for charitable activities that have been approved by an officer. Under no circumstances may an employee disturb the work of others to solicit or distribute literature to them during their working time. Persons not employed by the company may not solicit company employees for any purposes on company premises.

The company is committed to providing a safe workplace for all employees. In addition, several laws and regulations impose responsibility on the company to safeguard against safety and health hazards. For that reason, and to protect the safety of themselves and others, employees and other persons who are present at company facilities are required to follow carefully all safety instructions and procedures that the company adopts. Questions about possible health and safety hazards at any company facility should be directed immediately to the employee's supervisor.

The company is committed to maintaining a work environment that is free from the effects of alcohol and drug abuse and from the improper use of firearms. To review the applicable policies and for specific employee testing and reporting procedures, employees should refer to these sections in our Employee Handbook.

Securities Laws

Because we are a public company, we are subject to a number of federal laws concerning the purchase and sale of our shares and other publicly traded securities. Regardless of your position with us, if you have possession of what is known as "material inside information" regarding our business, you may not disclose that information to anyone outside our company, and you are not allowed to buy or sell our shares or other publicly-traded securities until the material inside information is known not only by individuals within the company, but also by the general public. The improper use of material inside information is known as insider trading. Insider trading is a criminal offense and is strictly prohibited.

"Material inside information" is any information concerning us that is not available to the general public and which an investor would likely consider to be important in making a decision whether to buy, sell or hold our stock or other securities. A good rule of thumb to determine whether information about us is material inside information is whether or not the release of that information to the public would have an effect on the price of our stock. Examples of material inside information include information concerning earnings estimates, changes in previously released earnings estimates, a pending stock split, significant merger or acquisition proposals, major litigation, results of an important well, the loss or acquisition of a major contract and major changes in our management.

In addition to being prohibited from buying or selling our stock or other publicly-traded securities when you are in possession of material inside information, you are also prohibited from disclosing such information to anyone else (such as friends or family members) in order to enable them to trade on the information. In addition, if you acquire material inside information about another company due to your relationship with us or due to your relationship with

someone who has material inside information regarding that other company, you may not buy or sell that other company's stock or other securities until such information is publicly disclosed.

All inquiries from outsiders, including the financial community, shareholders and the media, regarding material non-public information about the company should be forwarded to the Chief Executive Officer, the Chief Financial Officer or other authorized company spokesperson. Selective disclosure is generally prohibited and disclosures of material inside information to the financial community, shareholders or the media should be made only by an authorized company spokesperson and should comply with our Statement of Policy and Procedures Regarding Insider Trading.

Penalties for trading on or communicating material inside information are severe. If you are found guilty of an insider trading violation, you can be subject to civil and even criminal liability. In addition to being illegal, we believe that insider trading is unethical and we will deal with it firmly, which may include disciplinary action, up to and including termination of your employment. We may also report violations to appropriate authorities.

For more information about our policies concerning the securities laws, you should refer to our Statement of Policy and Procedures Regarding Insider Trading. Please note that our Policy on insider trading supplements the state and federal statutes and regulations regarding insider trading. It is everyone's responsibility to comply not only with our policies concerning insider trading but also with all applicable statutes and regulations. If you have any questions concerning the securities laws or about our policies with regard to those laws or regarding the correct ethical and legal action to take in a situation involving material inside information, or your availability to purchase/trade our stock at any given time, please contact our compliance officer.

To reiterate, *when in doubt, ask*

Systems Communications

We have established policies for the access and use of our electronic and telephonic communication systems. These systems, which include facilities for E-mail, voice mail, fax, internet and intranet access, are provided by the company to assist in the conduct of business. As such, systems hardware and software are company property. Further, information or data composed, sent, or received using these systems remains the property of the company.

The systems are reserved solely for business purposes. Incidental personal use of telephones, fax machines, copy machines, personal computers, E-mail and similar equipment is generally allowed if there is no significant added cost to us, it does not interfere with your work responsibilities and is not related to an illegal or immoral activity or outside business or does not otherwise violate any of the company's policies.

It is the company's policy to comply with applicable legal requirements concerning privacy in the workplace. However, employees and contractors should be aware that they have no right of privacy as to any information or file maintained in or on the company's property, including their desks, offices, or transmitted or stored through the company's computer systems, voice mail, e-mail, or other technical resources, with the exception of medical information or personnel files

maintained by the company's Office Manager. The company may override any applicable passwords for purposes of inspecting, investigating or searching an employee's computerized files or transmissions, voice mail, e-mail, or any other media in which information is gathered, stored or transmitted, and reserves the right to inspect desks, offices and their contents for information or other company property or to protect company interests.

Consistent with values expressed throughout this booklet, employees should be mindful that they represent us when using the systems we provide. All content must be professional, ethical, legal and appropriate. Impermissible, offensive or disruptive content, includes but is not limited to, anything that contains sexual implications, racial slurs, gender-specific comments, or any other comment that offensively addresses someone's age, sexual orientation, religious or political beliefs, national origin, or disability. Display or transmission of such matter is strictly prohibited.

Antitrust Laws

Antitrust laws are designed to ensure a fair and competitive marketplace by prohibiting various types of anticompetitive behavior. Some of the most serious antitrust offenses occur between competitors, such as agreements to fix prices or to divide customers, territories or markets. Accordingly, it is important to avoid discussions with our competitors regarding pricing, terms and conditions, costs, marketing plans, bidding, customers and any other proprietary or confidential information except under narrowly defined circumstances that represent legitimate business joint venture. Unilateral action may also violate the antitrust laws. Any transaction or practice that would appear to result in our gaining a monopoly in a particular line of business in a particular market or geographic area or that indicates an intent to drive a competitor out of business or to prevent a competitor from entering a market should therefore be avoided and discussed with legal counsel.

You should also avoid making inaccurate or misleading statements about competitors, suppliers, customers or their offerings. Antitrust laws may also apply in other circumstances, like benchmarking efforts, trade association meetings or strategic alliances involving competitors.

Unlawful agreements need not be written or even consist of express commitments. Agreements can be based on informal discussions or the mere exchange of information with a competitor. If you believe that a conversation with a competitor enters an inappropriate area, end the conversation at once. Whenever any question arises as to the significance or application of antitrust laws, you should consult with our legal counsel, and any agreements with possible antitrust implications should be made only with the prior approval of legal counsel.

Corporate Opportunities / Outside Employment

Business opportunities relating to our line of business that arise during the course of your employment or through the use of our property or information or your position (whether during business hours or otherwise) belong to the company. Similarly, other business opportunities that fit into our strategic plans or satisfy our commercial objectives that arise under similar conditions also belong to us. Unless the terms of our certificate of incorporation or bylaws dictate otherwise, you may not direct these kinds of business opportunities to our competitors, to other

third parties, or to other businesses that you own or are affiliated with in any way. Likewise, you may not exploit our business opportunities for your own personal gain.

Sometimes our employees desire to take additional part-time jobs or do other work after hours, such as consulting or other fee-earning services. This kind of work does not in and of itself violate our Code. However, outside employment must be strictly separated from your job with us, and must not interfere with your ability to devote the time and effort needed to fulfill your duties to us as our employee. You cannot engage in any outside activity that causes competition with us or provides assistance to our competitors or other parties with whom we regularly do business. You should avoid outside activities that embarrass or discredit us or that affect your impartiality, objectivity and efficiency in performing your duties for us. Outside work may never be done on company time and must not involve the use of our supplies or equipment. Additionally, you should not attempt to sell services or products from your second job to us. Such conduct may result in disciplinary action up to and including termination.

Safeguarding Corporate Property and Facilities

You should use company assets and funds only for legitimate business purposes so as to advance our strategic objectives. You are responsible for any company assets and funds in your possession or under your control. You should be mindful to protect these assets and funds from theft, misuse and waste. Leases, building and construction contracts and services should be granted on the basis of value, quality, price and other tangible criteria. Our assets and funds may never be used for an unlawful purpose. Careful safeguarding of our assets makes us more efficient and avoids the potential for loss and embarrassment to you and us. Theft, carelessness and waste also impair our profitability. If you become aware of theft, waste or misuse of our assets or funds or have any questions about your proper use of them, you should speak immediately with your immediate supervisor.

We must ensure that all abandoned or unidentified property of our royalty owners, co-owners, or other business partners is properly identified, reported and tendered to its rightful owner or escheated to the appropriate state abandoned property office. In no event may abandoned property be used for any purpose that is not permissible under law or is not consistent with the fact that it remains the property of an unknown or unidentified owner. We will not use or account for abandoned property in any improper or unlawful way.

Environment, Health and Safety

It is company policy to establish and manage a safe and healthy work environment and to manage our business in a way that is sensitive to the environment and conserves natural resources. The company will comply with all environmental, health and safety laws and will internally establish and comply with our own stricter standards where appropriate to achieve the desirable level of protection. All employees and contractors are expected to adhere to this standard in their conduct of business for the company or at the company's worksites.

Confidentiality

Your knowledge about those with whom we do business or the nature of our operations and business plans places you in a special position of trust and confidence. Unless required by law or your job description to disclose this information, you should always use the highest care to protect this information from outside parties and other employees that are not authorized to see the information.

Information learned while working for us or gained from outside parties should likewise be kept confidential. Our business relations are built on trust, and our business partners count on that trust. If you learn information from them that is not otherwise public you should keep that information confidential. Seek your supervisor's guidance in maintaining the confidentiality of such information if you have any concerns about your ability to do so.

Employees who improperly use or disclose confidential information will be subject to disciplinary action, up to and including termination of employment, and the company may take legal action to enforce this policy.

All files, records and reports acquired or created in the course of employment are the property of the company. Originals or copies of such documents may be removed from the company's offices for the sole purpose of performing the employee's duties to the company and must be returned at any time upon request. Employees must also abide by the provisions of the company's Preliminary Statement of Policy Regarding Unauthorized Communications, as it may be supplemented or changed in the future.

Trademarks, Service Marks and Copyrights

Trademarks and service marks - words, slogans, symbols, logos or other devices used to identify a particular source of goods or services - are important business tools and valuable assets which require care in their use and treatment. No employee may negotiate or enter into any agreement respecting the company's trademarks, service marks or logos without first consulting our legal counsel. The company also respects the trademark rights of others and any proposed name of a new product, financial instrument or service intended to be sold or rendered to business partners must be submitted to our CEO for clearance prior to its adoption and use. Similarly, using the trademark or service mark of another company, even one with whom our company has a business relationship, always requires clearance or approval by our legal counsel, to ensure that the use of that other company's mark is proper.

Employees must avoid the unauthorized use of copyrighted materials of others and should confer with our Compliance Officer or General Counsel if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying or otherwise using copyrighted materials. In addition, simply because material is available for copying, such as matter downloaded from the Internet, does not mean that it is automatically permissible to copy or recirculate (by, for example, email or posting to an intranet facility). All copies of work that is authorized to be made available for ultimate distribution to the public, including all machine-readable works such as computer software, must bear the prescribed form of copyright notice.

The company is legally entitled to all rights in ideas, inventions and works of authorship relating to its business that are made by employees during the scope of their employment with the company or using the resources of the company.

The company is committed to the following Software Code of Ethics:

- The company and its employees will neither engage in nor tolerate the making or using of unauthorized software copies under any circumstances.
- The company will provide legally acquired software to meet all legitimate software needs in a timely fashion and in sufficient quantities for all its computers.
- The company and its employees, consultants and contractors will comply with all license or purchase terms regulating the use of any software acquired or used.

The company will enforce strong internal controls to prevent the making or using of unauthorized software copies, including effective measures to verify compliance with these standards and appropriate disciplinary measures for violation of these standards.

Asking For Help and Reporting Concerns

Our officers and managers are accountable for ensuring that the Code is distributed, understood and adhered to. We acknowledge that it is sometimes difficult to know what to do in a particular situation, which is why we encourage open communication. *When in doubt, ask.* Whenever you have a question or concern or are unsure about the appropriate course of action:

- Please talk with your immediate supervisor. He or she may have the information you need, or may be able to refer the matter to an appropriate source, including legal counsel as circumstances warrant. Your supervisor is responsible for alerting other appropriate corporate personnel as necessary.
- If you are uncomfortable talking with your immediate supervisor, you may also contact any other officer of the company with whom you feel comfortable, or legal counsel.
- If you would rather submit your question or concern in writing, you may do so and present it to a corporate officer or fax it to our legal counsel, Fay M. Matsukage at (303) 777-3823. For concerns about accounting, auditing, internal controls or financial matters, you may contact an appropriate officer or contact the company's Audit Committee Chairman at auditcommitteechair@petrohunter.com.

Whistle Blower Protection

The company is committed to providing a workplace conducive to open discussion of its business practices. It is our policy to comply with all applicable laws that protect employees against unlawful discrimination or retaliation by their employer as a result of their lawfully reporting information regarding, or their participation in, investigations involving corporate fraud or other wrongdoing by the company or its employees or business partners. All company

employees are encouraged to report either orally or in writing to any corporate officer, or to others as discussed above, all evidence of activity by a company employee or business partner that may constitute:

- Instances of corporate fraud
- Unethical business conduct
- Questionable accounting, internal controls and auditing matters
- A violation of law
- A violation of company policy or this Code
- Retaliation for reporting any violation, or
- Substantial and specific danger to the employee's or public's health or safety.

We will not retaliate against anyone who, in good faith, notifies us of any of these matters, nor will we tolerate any harassment or intimidation of any employee who reports any such matter. Likewise, no officer, employee, director or agent of the company may retaliate against any company employee for providing information pursuant to a Securities and Exchange Commission, Congressional or other governmental investigation regarding possible violations of law, including but not limited to the following:

- Federal criminal law relating to securities fraud, mail fraud, bank fraud, or wire, radio and television fraud
- Any rule or regulation of the Securities and Exchange Commission
- Any provision of federal or state law relating to fraud against shareholders.

Additionally, we will initiate a prompt investigation following any credible indication that a violation of law or this Code may have occurred. We will also initiate appropriate corrective action as we deem necessary, which may include notifying appropriate authorities.

However, employees who file reports or provide evidence which they know to be false or without a reasonable belief in the truth and accuracy of such information will not be protected by the above policy statement and may be subject to disciplinary action, including termination of their employment.

Any employee who wants to report evidence of alleged improper activity as described should either notify their manager, any corporate officer. Any manager or corporate officer who receives such a report should report it to the appropriate authority or to legal counsel. In instances where the employee is not satisfied with the supervisor or manager's response, or is uncomfortable for any reason addressing such concerns to their manager, the employee may contact the CFO, Compliance Officer or General Counsel. If the employee is uncomfortable for any reason contacting any such person, the employee may contact the Audit Committee

Chairman of the Company's Board of Directors at auditcommitteechair@petrohunter.com or by telephone at (720) 889-4135. **Employees are particularly encouraged to contact the audit committee if the matter concerns accounting, internal accounting controls, or auditing matters.** Employees should provide as much specific information as possible including names, dates, places and events that took place, the employee's perception of why the incident(s) may be a violation, and what action the employee recommends be taken. Anonymous written or telephonic submissions will be accepted. Employees who choose to identify themselves will receive a reply to their report within [20] working days or as soon as practicable thereafter.

The company will attempt to maintain the confidentiality and anonymity of any submission if so desired by the reporting person. However, in order to conduct an effective investigation, or to comply with law, the company may not be able to maintain confidentiality and anonymity with respect to the matter.

Violations and Waivers of the Code

If you violate any provision of this Code, you may be subject to disciplinary action, up to and including discharge. For example, disciplinary action may be taken against any of the following persons:

- Any employee or officer who violates this Code or applicable laws and regulations, or who directs others to do so.
- Any employee or officer who deliberately withholds relevant information, or knowingly provides false information, concerning a violation of this Code or applicable laws and regulations.
- The violator's manager to the extent that the circumstances of a violation reflect his or her disregard for this Code or applicable laws and regulations.
- Any employee or officer who retaliates, directly or indirectly, against another employee for reporting a suspected violation of this Code or applicable laws and regulations, or assisting an investigation of a suspected violation.

Please be aware that we may seek civil remedies from you and if your violation results in monetary loss to us, you may be required to reimburse us for that loss. In addition, you may be subject to criminal penalties, including monetary fines and imprisonment.

Because our commitment to this Code is so strong, we will only grant waivers of it under the most unusual or compelling circumstances. Therefore, we expect that waivers will be granted very infrequently. If you would like to request a waiver of this Code for any reason, you must submit a detailed written statement to our legal counsel describing the nature of your request and explaining why you believe the waiver is appropriate. Any waiver, interpretation or other administration of this Code for our directors or executive officers may only be implemented by our Board of Directors or the Audit Committee of the Board. Any waiver for other officers or employees may only be granted by the CEO. Any waiver of this Code for directors, executive officers, the chief financial officer, the corporate controller or persons performing similar

functions shall be disclosed to the public on our website within five business days after the waiver is granted or such shorter period as may be required by applicable law.

Inquiry Form

If you have a question or concern as to whether specific behavior is a violation of corporate policy, please complete the following inquiry form and return it to the appropriate officer or resource defined above. You may also submit your inquiry anonymously by fax to our compliance officer at (720) 889-6520.

Name _____

Date _____

Please describe your question or concern in as much detail as possible.

If you would like us to contact you or respond to you at home, please provide the following information:

Home Address _____

Phone No. _____

I certify that the information stated above is true and correct to the best of my knowledge. I understand that any disclosures I make are subject to review and investigation. I understand that my disclosures may be reviewed by other appropriate company personnel who will use said information to conduct a reasonable inquiry.

I understand that the disclosures that I make will be held confidential and I will suffer no retaliation for reporting concerns.

Signature _____

Date _____



**Employee Acknowledgment of Receipt of the
Corporate Code of Business Conduct and Ethics**

I have been provided with a copy of the Code of Conduct of PetroHunter Energy Corporation . I acknowledge that I have read the Code and understand my responsibilities under it. I further acknowledge that I should follow the compliance procedures described in the Code if I have any questions or concerns. Lastly, as of the date below, I acknowledge that neither I nor anyone that I am aware of has violated any of the terms of the company's Code of Conduct. If I am aware of any violations or possible violations, I have talked to my supervisor or notified a company officer, the company's Compliance Officer or General Counsel regarding such violations or possible violations.

Signature

Print Name: _____

Date: _____