

INTRODUCTION

The Board of Directors (the “**Board**”) of Tahoe Resources Inc. (the “**Company**”), is dedicated to maintaining and enhancing a culture that emphasizes integrity and accountability and that reinforces the Company’s pay-for-performance compensation philosophy. As a result, the Board has adopted this policy, which provides for the recoupment of certain executive compensation in the event of an accounting restatement resulting from material noncompliance with financial reporting requirements under the applicable securities laws (the “**Policy**”).

ADMINISTRATION

This Policy will be administered by the Board or, if so designated by the Board, the Compensation Committee of the Board, in which case references herein to the Board will be deemed references to the Compensation Committee. Any determinations made by the Board will be final and binding on all affected individuals.

COVERED PERSONS

This Policy applies to the Company’s current and former officers, and such other employees who may from time to time be deemed subject to the Policy by the Board (“**Covered Persons**”).

INCENTIVE COMPENSATION COVERED BY THE POLICY

For purposes of this Policy, “**Incentive Compensation**” means any compensation earned, granted or vested, in whole or in part, by a Covered Person upon the attainment of the following measures: (i) any financial reporting measures which are based on accounting principles using the Company’s financial statements, and any measures derived from these measures; or (ii) Company total shareholder return (“**TSR**”) (each referred to as a “**Financial Goal**”). For avoidance of doubt, salary, discretionary cash bonuses and stock options (which are not granted or earned based on Financial Goals and which vest over time) and awards that are based purely on non-Financial Goals, are not subject to this Policy.

ACCOUNTING RESTATEMENT TRIGGERING EVENT

For purposes of this Policy, a “**Restatement**” means an accounting restatement that the Company is required to prepare due to the Company’s material noncompliance with any financial reporting requirement under applicable securities laws. For the avoidance of doubt, an accounting restatement that occurs as a result of a change in accounting principles will not be deemed a Restatement.

RECOUPMENT PERIOD COVERED AND AMOUNT

If a Restatement occurs, the Board will review all Incentive Compensation paid to Covered Persons on the basis of having met or exceeded specific performance targets for performance periods during the Restatement period. With respect to each Covered Person, if the Covered Person engaged in gross negligence, intentional misconduct or fraud which caused or partially caused the need for the Restatement, the Board will seek to require the forfeiture or repayment of part or all of the Incentive Compensation, whether vested or unvested and including gains on equity, during the three completed fiscal years preceding the date on which the Company is required to prepare the Restatement, that is in excess of what would have been awarded to, vested and/or paid to the Covered Person absent the Covered Person's gross negligence, intentional misconduct or fraud.

For purposes of this Policy, compensation will be deemed to have been received in the fiscal period in which the financial reporting measure is attained, even if the compensation is not actually paid until a later date and the compensation is subject to additional service-based or non-Financial Goal based vesting conditions after the period ends. The amount to be recovered will be the excess of the Incentive Compensation paid to the Covered Person based on the erroneous data in the original financial statements over the Incentive Compensation that would have been paid to the Covered Person had it been based on the restated data in the financial statements contained in the Restatement. If the Financial Goals were tied to TSR, the Board will make a reasonable estimate as to the impact of the Restatement on the TSR, and its resulting impact on Incentive Compensation that would have been paid.

METHOD OF RECOUPMENT

The Board will determine, in its sole discretion, the method for recouping Incentive Compensation hereunder, which may include, without limitation:

- a) requiring reimbursement of cash incentive compensation previously paid;
- b) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards;
- c) offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Person;
- d) cancelling outstanding vested or unvested equity awards; and/or
- e) taking any other remedial and recovery action permitted by law, as determined by the Board.

INTERPRETATION AND LIMITATIONS

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy.

EFFECTIVE DATE

This Policy will be effective as of the date it is adopted by the Board and will apply to Incentive Compensation that is approved, granted, awarded or paid out to Covered Persons for financial reporting measures attained in a fiscal year beginning on or after that date.

AMENDMENT; TERMINATION

The Board may amend this Policy from time to time in its discretion. The Board may terminate this Policy at any time.

OTHER RECOUPMENT RIGHTS

The Board intends that this Policy will be applied to the full extent permitted by governing laws and to the extent the Board determines that it is in the Company's best interest to do so. The Board may require that any employment agreement, equity award agreement or similar agreement entered into on or after the Effective Date will, as a condition to the grant of any benefit thereunder, require a Covered Person to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company.