



**CENTRAL AMERICA NICKEL INC.**  
Governance documents

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## DEFINITIONS

“Accounting Irregularity:” all accounting, auditing, or other financial matters which are the subject of an Incident.

“Audit Committee:” committee of individuals appointed by the Directors to handle disclosure, diversity and inclusion, and anti-bribery matters.

“Authorized Spokespersons:” the persons designated by CAN which may communicate on its behalf.

“CAN:” Central America Nickel Inc.

“Board:” CAN’s Board of Directors.

“CEO:” CAN’s Chief Executive Officer.

“CFO:” CAN’s Chief Financial Officer.

“Chairman:” the individual designated to preside over a meeting.

“Code:” CAN’s Code of Ethics and Conduct.

“Confidential Information:” includes but is not limited to proprietary information which is not in the public domain that could be of use by competitors, or that could, if disclosed, harm CAN, its Personnel Members, its customers, suppliers or business partners.

“Conflict of Interest:” means a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional’s judgement is likely to be compromised.

“Director:” the individuals elected by CAN’s shareholders who are responsible for supervising CAN’s activities and making decisions regarding those activities.

“Discloser:” an Employee who makes a disclosure under the Whistleblower Policy.

“EHS:” Environmental Health and Safety.

“Employee:” all Employees and consultants of CAN.

“Facilitating Payment:” a minor payment made to expedite routine governmental action that does not involve obtaining, retaining or directing business.

“Government Official:” includes:

- A person who holds a legislative, administrative, or judicial position at any level of government of a country.
- A person who performs public duties or functions for any level of government of a country, including a person employed by a board, commission, corporation or other body or authority that is established to perform a duty or function on behalf of the country, or is performing such a duty or function.
- An official or agent of a public international organization that is formed by two or more states or governments, or by two or more such public international organizations.
- Any person holding or running for political office.
- Close relatives of any of the foregoing; and
- Employees of government owned or government-controlled businesses, joint-venture partnership, or banks, as well as members of royal families.

“Incident:” any possible concern that is identified and reported upon.

“Investigation Officer:” a Personnel Member appointed by the Audit Committee.

“Material Information:” information relating to CAN when one of the following conditions is met:

- Such information results in or would reasonably be expected to result in, a significant change in the value of CAN’s assets; or
- There is a substantial likelihood that a reasonable investor would consider it important while making an investment decision.

“Officer:” the individuals appointed by CAN’s Directors.

“Personnel Member:” Directors, Officers, contractors, agents, and Employees of CAN.

“Reprisal:” examples include demotion, suspension, disciplinary action, denial of compensation or benefits, suspension of promotion or termination.

“Thing of Value:” includes but is not limited to money, rewards, advantage, benefit, loans, the provision of facilities or services at less than full costs, kickbacks, extravagant gifts, entertainment and hospitality.

“Vice Chairman:” the individual who is designated to assist the Chairman;

“Wrongdoing:” any Accounting Irregularity, illegal act, or a violation of company policies. Examples of Wrongdoings include a misuse of company assets or funds; a breach of the Code or any other company Policy; or knowingly directing or counselling another Personnel Member to commit a Wrongdoing.

## I. CODE OF ETHICS AND CONDUCT

### General

The Board of Directors of CAN has adopted this Code, in order to:

- Promote integrity, and honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.
- Promote compliance with applicable governmental laws, rules and regulations across diverse jurisdictions where CAN operates.
- Promote the protection of CAN's assets, including corporate opportunities and Confidential Information.
- Promote fair dealings practices.
- Deter Wrongdoing; and,
- Establish mechanisms to guarantee accountability for compliance with this Code.

CAN's policy is to promote high standards of integrity by conducting its affairs honestly and ethically. The purpose of this Code is to guide CAN's Personnel Members on how to carry out their duties in an honest and ethical manner.

Every Personnel Member must act with integrity and observe the highest ethical standards of business conduct in his or her dealings with CAN's Employees and anyone else with whom he or she has contact while performing his or her job. While this Code does not, and cannot, deal with every situation that may arise, the principles outlined should be seen as providing a baseline for honest and ethical decision-making.

CAN shall ensure that every Personnel Member is provided with a copy of this Code and signs an acknowledgment of receipt and review.

All Personnel Members are required to be familiar with this Code, comply with its provisions and report any suspected violations as described below.

This Code is not intended to be a comprehensive guide to all of CAN's policies or to all Personnel Members' responsibilities under applicable laws and regulations. It provides general parameters to help Personnel Members resolve the ethical and legal issues they may encounter in conducting CAN's business.

To help Personnel Members determine whether a situation might contravene with this Code, the following questions should be asked:

- Is the conduct legal?
- Does the conduct violate CAN's policies and procedures?
- Is the conduct ethical and honest?
- Would the conduct be authorized by the supervisor?
- Would the conduct harm other Personnel Members, partners, suppliers, shareholders or the community?
- Would the conduct, if disclosed, be concerning to internal and/or external parties?

### Conflicts of Interest

Personnel Members are prohibited from engaging in any activity or practice which conflicts with, or appears to conflict with, CAN's interests, and shall ethically handle all actual or apparent conflicts of interest between personal and professional relationships. Personnel Members shall avoid conflicts of interest and promptly disclose and/or refer questions and concerns about potential conflicts to their supervisor or to the designated individual responsible for human resources.

Unless specific permission has been provided by the Board, no Employee or Officer shall be a consultant to, or a director, officer or employee of, or otherwise operate an outside business that:

- Directly competes with CAN.
- Supplies products or services to CAN.
- Have any financial interest, or have immediate relatives who have any financial interest, including significant share ownership, in any entity with which we do business that might create or give the appearance of a conflict of interest.
- Seek or accept any personal loan or services from any entity with which CAN does business, except from financial institutions or service providers offering similar loans or services to third parties under similar terms in the ordinary course of their respective businesses.
- Stake mineral claims or acquire mineral properties in their own interest or in the interest of any syndicate not owned, controlled or directed by CAN within 15 kilometers of any of CAN mineral properties.
- Use CAN properties or projects for any activities not associated with the discharge of official duties without prior authorization from their administrative superior or the Chairman of the Board.
- Be a consultant to, or a director, officer or employee of, or otherwise operate an outside business if the demands of the outside business would interfere with the officer's or employee's responsibilities to us.
- Demand, accept or offer to accept from a person or company having dealings with CAN, a commission, reward, advantage or benefit of any kind, directly or indirectly, except for casual benefits such as hospitality or small gift items within normal and reasonable expressions of business courtesy.
- Accept any personal loan or guarantee of obligations from CAN, except to the extent such arrangements are legally permissible and approved in advance by the Chairman of the Board; or,
- In the performance of their duties, accord or influence others to accord preferential treatment to immediate family members, which includes spouses, children, parents, siblings, and persons sharing the same home whether or not legal relatives, or to organizations in which they or their family members have any interest.

Unless specific permission has been provided by the Chairman of the Board, no Director or consultant shall:

- Stake mineral claims or acquire mineral properties in their own interest or in the interest of any syndicate not owned, controlled or directed by CAN within 15 kilometers of any of CAN mineral properties or projects.
- Use CAN property or projects for any activities not associated with the discharge of official duties without prior authorization from their administrative superior or the Chairman of the Board.
- Demand, accept or offer to accept from a person or company having dealings with CAN, a commission, reward, advantage or benefit of any kind, directly or indirectly, except for casual benefits such as hospitality or small gift items within normal and reasonable expressions of business courtesy.
- Accept any personal loan or guarantee of obligations from CAN, except to the extent such arrangements are legally permissible and approved in advance by the Chairman of the Board; or,
- In the performance of their duties, accord or influence others to accord preferential treatment to immediate family members, which includes spouses, children, parents, siblings, and persons sharing the same home whether or not legal relatives, or to organizations in which they or their family members have any interest.

A Personnel Member shall not represent CAN in any transaction in which he or she, or a related party, has any material connection or substantial financial interest, unless such transaction has been approved by CAN's Board. Transactions involving close personal friends may also present a potential conflict of interest.

Personnel Members are prohibited from self-dealing or otherwise using their positions with CAN to further their own interests and must immediately disclose to their supervisor or to CAN's CEO, any potential conflict of interest of which they are aware, including those in which they have inadvertently become involved due to business or personal relationships with customers, suppliers, business associates or competitors of CAN.

All dealings with customers, prospects, suppliers, and competitors must be conducted in accordance with the law and on terms that are fair and in CAN's best interest. Decisions relating to placement of CAN's business with current or prospective customers and suppliers must be based solely on business considerations. Personnel Members must not allow personal relationships with current or prospective customers or suppliers to influence business decisions.

### Compliance

CAN and its Personnel Members must comply, both in letter and in spirit, with all applicable laws, rules, and regulations in the jurisdictions in which CAN operates.

Although not all Personnel Members are expected to know the details of all applicable laws, rules, and regulations, it is important to know enough to determine when to seek advice from appropriate personnel. Questions about compliance should be addressed to the CEO or the Audit Committee.

Specifically, CAN is committed to:

- Conducting its activities in compliance with all applicable safety and environmental laws.
- Not impeding or obstructing any investigations by CAN or any government or regulatory agency.
- Promoting a workplace that is free from discrimination, intimidation, or harassment of, or by, employees on the basis of race, gender, age, marital status, national origin, religious beliefs, sexual orientation, disability or on the basis of any other personal characteristics protected by law.
- Supporting fair competition and laws prohibiting restraints of trade and other unfair trade practices.
- Prohibiting any illegal payments, gifts, or gratuities to any Government Official or political party; and
- Complying with all applicable corporate laws, including financial reporting requirements.

### Disclosure and Confidentiality

This section summarizes the Disclosure Policy. Personnel Members are invited to consult the full Policy.

Any Personnel Member who contributes in any way to the preparation or verification of CAN's financial statements and other financial information must ensure that CAN's books, records, and accounts are accurately maintained. Every Personnel Member must cooperate fully with CAN's accounting and internal audit departments, as well as CAN's counsel.

Every Personnel Member must preserve and protect the confidentiality of Confidential Information entrusted to them by CAN or its customers and suppliers, and which they come into contact within their work, except when disclosing information which is expressly approved by an Officer of CAN with authority to give such approval, including if legally mandated.

This obligation to protect Confidential Information continues after leaving CAN. This obligation will be subject to the terms specified in the relevant agreements or policies, ensuring compliance with established guidelines.

Confidential Information includes but is not limited to proprietary information which is not in the public domain that could be of use to competitors, or that could, if disclosed, harm CAN, its Personnel Members, its customers, suppliers or business partners, such as:

- Technical or scientific information about current and future projects.
- Business opportunities or projections.
- Earnings and other internal financial data.
- Personnel Members' information; and,
- Other non-public information.

Personnel Members must not use or disclose to CAN any proprietary information or trade secrets of any former employer or other person or entity with whom obligations of confidentiality exist.



CAN is determined to provide its shareholders and investors with full, fair, accurate, timely and understandable disclosure in the reports that are filed with the provincial authorities. To this end, all Personnel Members shall:

- Not make false or misleading entries in our books and records.
- Not condone any undisclosed or unrecorded bank accounts or assets established for any purpose.
- Comply with generally accepted accounting principles and adhere to both the form and spirit of technical and ethical accounting standards.
- Notify the Chairman of the Board if there is a significant unreported transaction.
- Maintain a system of internal accounting controls that will provide reasonable assurances to management that all transactions are properly recorded, and that the potential loss, theft or misuse of CAN assets is minimized or prevented.
- Maintain books and records that accurately and fairly reflect CAN's transactions.
- Maintain a system of internal controls that will provide reasonable assurances to our management that Material Information about CAN is made known to management, particularly during the periods in which our periodic reports are being prepared.
- Present information in a clear and orderly manner.
- Provide full reporting of facts, professional judgments, and opinions, whether favourable or unfavourable; and,
- Comply with any applicable disclosure policies in place at the time.

Employees responsible for establishing and managing the financial reporting systems must ensure that:

- All business transactions are properly authorized.
- All records fairly and accurately reflect the transactions or occurrences to which they relate.
- All records fairly and accurately reflect in reasonable detail CAN's assets, liabilities, revenues and expenditures.
- The accounting records do not contain any false or intentionally misleading entries.
- No transactions are intentionally misclassified as to accounts, departments, or accounting periods; and,
- All transactions are supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

### Personal information

Any information requested during the period of employment with CAN is gathered for reasonable business purposes: payroll, benefits, government required deductions. All Personnel Members will be required to provide CAN with the consent to use the information gathered for purposes of managing the employment contracts.

Should CAN ever wish to revisit this information for any purpose other than employment agreements/contracts, CAN will contact the concerned person and request their consent at that time.

### Prohibited Conduct

CAN is committed to providing a workplace free from harassment, violence, and discrimination. Every Personnel Member is expected to foster a respectful work environment that adheres to the requirements of applicable human rights law and related workplace legislation. CAN undertakes to encourage its subsidiaries to consider adopting similar guidelines to meet the above-mentioned objectives.

CAN will not tolerate acts of discrimination based on age, colour, race, citizenship, ethnic or national origin, religion, disability, family status, civil status, gender identity or expression, sex, sexual orientation, pregnancy, disability or any other ground of discrimination prohibited by law. CAN expects and encourages all Personnel Members to report harassment or other inappropriate conduct as soon as it occurs, whether they are victim or a witness of such conduct.

CAN is committed to a work environment that is free from bullying and harassment, and is supportive of the productivity, dignity, and self-esteem of all its Employees. CAN will not tolerate and is committed to proactively preventing, or otherwise mitigating bullying and harassment. Bullying and harassment includes any inappropriate conduct or comment by a person towards a Personnel Member, when the person knew or reasonably ought to have known, would cause that Personnel Member to be humiliated or intimidated. Bullying and harassment also includes any unwelcome or objectionable conduct or comment which would be considered discriminatory under applicable legislation.

All threats or acts of physical violence or intimidation are prohibited.

### Use of Email and Internet

Email systems and Internet services are provided to help all Personnel Members' work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose.

It is prohibited to access, send, or download any information that could be insulting or offensive to another person, such as sexually explicit material or jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as bullying or harassment. Flooding the systems with junk mail and trivia hampers the ability of the systems to handle legitimate business and is prohibited.

Personnel Members shall not download copyrighted materials, shall not copy material that is not licensed to CAN and must follow the terms of a license when using material that is licensed to CAN. No changes shall be made to licensed materials without the prior consent of CAN. In addition, Personnel Members are discouraged from downloading games and screensavers, as these are common sources of viruses.

All messages (including voice mail) and computer information are considered the property of CAN. Personnel Members should not assume any expectation of privacy in this regard. CAN reserves the right, unless prohibited by law, to access and disclose this information when necessary

for business purposes. Personnel Members are expected to exercise discretion, refraining from accessing, sending messages, or storing any information that they would not want visible or audible to others.

### Political activities

Personnel Members may participate in political activities as long as they do not do so on CAN time and do not use CAN's financial or other resources, such as telephones, computers, or supplies.

### Environment, Health and Safety

This section summarizes part of the Environmental, Health and Safety Policy. Personnel Members are invited to consult the full Policy.

CAN is sensitive to the environmental, health and safety consequences of its operations. Accordingly, CAN's policy is to comply with all applicable environmental laws and regulations within all jurisdictions in which it operates. If any Personnel Member has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she shall immediately discuss the matter with his or her supervisor, or with a member of CAN's senior management.

CAN is committed to making its work environment safe, secure, and healthy for its Personnel Members and others. CAN expects all Personnel Members to promote a positive working environment for all. Every Personnel Member is expected to consult and comply with all of CAN's rules regarding workplace conduct and safety.

Personnel Members should immediately report any unsafe or hazardous conditions or materials, injuries, and accidents connected with CAN's business and any activity that compromises corporate security to a senior Officer of CAN.

Personnel Members must not work under the influence of any substances that would impair their safety and that of others.

### Preventing Corruption of Foreign Public Officials

This section summarizes part of the Anti-Bribery and Anti-Corruption Policy. Personnel Members are invited to consult the full Policy.

In Canada, the *Corruption of Foreign Public Officials Act* (hereafter the "law") makes it illegal to corrupt officials of foreign governments or to engage in certain related acts. The law applies to all of CAN's acts, as it is a Canadian corporation.

The law applies to CAN, its Employees, Officers and Directors, and their agents and representatives. For these purposes, the law considers that an action by a foreign agent or representative is the equivalent of an action by CAN. The law may apply in whole or in part to a

foreign company and joint venture which CAN controls, authorizes, directs, or participates in activity by the foreign corporation or joint venture.

CAN is prohibited from offering or providing money or any Thing of Value for the personal benefit of:

- Any foreign Government Official or any official of a public international organization (such as the International Monetary Fund, Regional Development Banks or other multilateral organizations); or,
- Any foreign political party or its officials or any political candidate for the purpose of:
  - a. Influencing that official in the exercise of his or her duties (or non-exercise of those duties).
  - b. Having any such person influence foreign government activity; or,
  - c. Otherwise securing an improper advantage for the purpose of aiding CAN in obtaining, retaining, or directing business.

CAN would be in violation of the law if it is aware, or should have been aware, that a payment to any foreign Government Official, political party, or political candidate was made with the intention of an illegal purpose.

Foreign government-owned corporations and other instrumentalities usually receive the treatment of a foreign government, and their Employees, Officers and Directors are usually treated as Government Officials.

Facilitating Payments are exempt from the above prohibitions. A Facilitating Payment is a minor payment made to expedite routine governmental action that does not involve obtaining, retaining or directing business. Examples include payments made to:

- Secure processing of paperwork, such as visas, work orders, and permits.
- Induce customs officials to process legally transmitted goods.
- Obtain police protection.
- Obtain installation and maintenance of utility connections; and
- Induce minor government functionaries to complete their jobs in the manner required, where the situation does not involve the securing of business.

CAN must make and keep records of all conduct related to Facilitating Payments.

Unconditional gifts having nominal value, when made openly and as a social amenity, or as a token of esteem, regard, or gratitude in accordance with local customs, will generally be exempted from the above prohibitions.

It is important to note that these exceptions apply to CAN's Personnel Members in the following ways:

- All payments, including but not limited to Facilitating Payments, travel, or lodging expenses, must receive prior written approval of the CEO; and

- All unconditional gifts of nominal value made as a social amenity or a token of esteem, gratitude, or regard in accordance with local custom, must not exceed the monetary limit imposed by the CEO without his or her prior written consent.

CAN's policy regarding this law is firm and unconditional: under no circumstances will it engage in the payment of a prohibited bribe to a Government Official.

If any Personnel Members are ever solicited for such a payment, or if they become aware of any instance where another Personnel Member suggests offering such a payment or is otherwise involved in such illegal activity, they must report the matter to their immediate superior or to CAN's CEO.

Any Personnel Member which is found to participate in any illegal situation will be terminated immediately.

#### Reporting violations and questions

Any Personnel Member who has knowledge of a potential or suspected violation of this Code has an obligation to report relevant information to the Chairman of the Board.

CAN shall ensure prompt action against violations of this Code.

All Personnel Members are expected to cooperate in any internal and external investigations of misconduct.

Failure to comply with this Code, or any other CAN policies, may be cause for termination and/or criminal offences. CAN is not obligated to provide legal defense for any individual violating these policies in the face of a lawsuit or criminal charges brought by a regulatory authority, shareholder, or any other person.

Any questions or violation reports will be addressed immediately and seriously and can be made anonymously. CAN will attempt to foster a work environment in which ethical issues and concerns may be raised and discussed with supervisors or with others without the fear of retribution. This reporting procedure is intended to encourage and enable employees and others to raise serious concerns within CAN rather than seeking resolution outside of CAN.

CAN will not permit retaliation of any kind against:

- Reports or complaints made in good faith regarding violations of the law, this Code, or other policies, or other illegal or unethical conduct; or,
- Cooperation in an investigation conducted by a governmental authority or by CAN, provided that the cooperating individual holds a genuine belief, in good faith, that a violation of the law, this Code, or other CAN policies or unethical or illegal activities have occurred.

Personnel Members with concerns regarding matters related to this Code may report their concerns or complaints on a confidential, anonymous basis in writing directly to the Chairman of the Board, who will be accountable to management of the complaint or report, and who may award mandate

to a third-party, non-conflict of interest, an investigating officer, to conduct further inspection where needed.

The complaint should:

- Be in writing to assure a clear understanding of the issues raised.
- Be factual rather than speculative.
- Contain as much specific information as possible to permit a proper assessment.
- Be candid and provide all information within one's knowledge regarding the allegation or concern.
- Contain sufficient corroborating information to support the commencement of an investigation.

CAN may, in its reasonable discretion, determine not to commence an investigation, if a complaint contains only unspecified or broad allegations of Wrongdoing and without appropriate support information.

Personnel Members with concerns or complaints regarding this Code or suggestions and ideas for process improvements may report such concerns, complaints, suggestions, or ideas on a confidential and anonymous basis to the Chairman of the Board at [pg@centralamericanickel.com](mailto:pg@centralamericanickel.com)

Upon receipt of the complaint by the Chairman of the Board, the Investigating Officer shall decide, in his or her reasonable judgment, whether a reasonable basis exists for commencing an investigation into the complaint.

To assist in making this determination, the Investigating Officer may conduct an initial, informal inquiry. At the request of the Investigating Officer, other parties may be involved in the inquiry based on their oversight responsibility or expertise.

To the extent possible, all complaints will be handled in a confidential manner. Under no circumstances should information concerning the complaint be disclosed to persons without a specific and legitimate need to know. Investigation of complaints should be prompt. The determination by the Investigating Officer will be communicated to the person who brought the complaint, unless anonymous, to the Chairman of the Board and to relevant management, as appropriate.

Upon deciding to recommend a formal investigation, the Investigating Officer will promptly notify the members of the Board of Directors. The Chairman of the Board will then determine, in its reasonable judgment, whether a reasonable basis exists for commencing a formal investigation into the complaint. If the Chairman of the Board makes such a determination, then it shall instruct the Investigating Officer to proceed with a formal investigation.

The Investigating Officer shall oversee all investigations under the authority of the Chairman of the Board. The Chairman of the Board shall ensure coordination of each investigation and shall have overall responsibility for the implementation of this policy. For that purpose, the Chairman of the Board is vested with the authority to engage external legal or accounting expertise in any

investigation, as deemed necessary to ensure the investigation aligns with this Code and the policy in place for this purpose by CAN.

At every Board meeting, the Chairman shall prepare a report to the Board outlining the nature of each complaint received during the quarter immediately preceding the meeting. This report will provide details on whether the complaint led to the initiation of a formal investigation, and the status of each investigation.

The Chairman of the Board, with the input of the Investigating Officer and CAN's management, if requested, will determine the validity of a complaint and any corrective action, as appropriate. It is the responsibility of the Chairman of the Board to report to the full Board and to CAN's management any non-compliance with legal and regulatory requirements and to assure that management takes corrective action including, where appropriate, reporting any violation to the relevant governmental or regulatory authorities.

Personnel Members that are determined to have violated any law, governmental regulations or this Code will face appropriate, case-specific disciplinary action, which may include demotion, re-assignment, suspension with or without pay or immediate termination.

If a Personnel Member makes a complaint in good faith pursuant to this policy and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the Personnel Member making the complaint. In making a complaint, a Personnel Member should exercise due care to ensure the accuracy of the information disclosed. If after investigation a matter raised under this procedure is found to be without substance and to have been made not in good faith but for malicious or frivolous reasons, the Personnel Member making the complaint could be subject to disciplinary action.

Where alleged facts disclosed pursuant to this policy are not substantiated, the conclusions of the investigation will be made known both to the person who made the complaint and to the person(s) against whom any allegation was made in the complaint. The finding that the allegations were not substantiated will be made a part of the record.

At the direction of the Board, the Chairman will maintain a log of all complaints, tracking their receipt, investigation, and resolution. All complaints submitted regarding alleged violations or concerns will remain confidential to the extent practicable. In addition, all written statements, along with the results of any investigations relating thereto, shall be retained by CAN for a minimum of three (3) years.

### Waiver

A request for a waiver with respect to a particular provision of the Code of Ethics and Conduct must be made to the CEO at the address set out below, unless it involves a Director or an Officer. Any waiver of the Code with respect to Directors and Officers may only be granted by the Board of Directors (or the Board, in exclusion of the Chairman, if the potential conflict involves the Chairman of the Board), and a request for such waivers should be made to the Corporate Secretary at the address set out below.

**PRIVATE AND CONFIDENTIAL NOTICE**

CENTRAL AMERICA NICKEL INC.  
 201 NOTRE-DAME STREET WEST, SUITE 500, MONTREAL, QUEBEC, H2Y 1T4  
 WWW.CENTRALAMERICANICKEL.COM/  
 Attn: Pierre Gauthier - [pg@centralamericanickel.com](mailto:pg@centralamericanickel.com)

OR

**CORPORATE SECRETARY OF CENTRAL AMERICA NICKEL INC.**

“Personal and Confidential”  
 201 NOTRE-DAME STREET WEST, SUITE 500, MONTREAL, QUEBEC, H2Y 1T4, CANADA  
 Or by email to:  
 Attn: Monica Andrea Narvaez Chicaiza - [mn@centralamericanickel.com](mailto:mn@centralamericanickel.com)

**II. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY***Statement of General Prohibition*

CAN’s Anti-Bribery and Anti-Corruption Policy has been adopted by the Board of Directors. CAN has a firm and irrevocable commitment to respect all anti-bribery and anti-corruption laws in every jurisdiction where it operates or otherwise has a presence.

All Personnel Members and external parties acting directly or indirectly on behalf of CAN including, where appropriate, agents and representatives are prohibited from engaging in bribery or any corruption activity in relation to Government Officials or private parties or enabling or facilitating such activities.

Personnel Members must be aware of, acknowledge and understand that CAN is subject to strict laws and regulations prohibiting bribery and other corrupt practices, given its headquarters in Canada. Therefore, it falls under the provisions of the *Corruption of Foreign Public Officials Act* and the *Criminal Code* (Canada). Breaching these laws can potentially lead to imprisonment of Personnel Members for significant periods of time, as well as very large fines and other severe penalties.

Individuals at all levels of CAN must comply with this Anti-Bribery and Anti-Corruption Policy.

*Definition of Bribery and Corruption*

Bribery is the offer, promise, or payment of cash or the offer or provision of gifts, excessive entertainment or inducements of any other kind made to a person in a position of trust to influence that person’s views, conduct, or business decisions, or to obtain an improper advantage.

Corruption is the misuse of public power or authority for private profit, or the misuse of entrusted power or authority for private gain. Forms of corruption may include nepotism, favoritism, conflicts of interest and abuse of authority.



Bribery payments can take many forms, including the provision or acceptance of:

- Cash payments.
- Fictitious positions or deceptive “consulting” relationships.
- Unlawful kickbacks schemes.
- Political contributions.
- Charitable contributions.
- Social benefits or influence, or
- Gifts, hospitality, and reimbursement of expenses.

Examples of benefits that might be sought from paying bribes include:

- Influencing a Government Official to award a mining concession or other business opportunity.
- Issuance of a discretionary government authorization, approval, permit or license.
- Granting relief from government obligations such as paying taxes, obtaining licenses or passing inspections; and
- Influencing legislative or judicial proceedings.

### Obligations

#### **i. No payment of facilitation of bribes**

Personnel Members are strictly prohibited from offering, paying, promising or authorizing any bribe, or other Thing of Value to any Government Official or to any person for the benefit of a Government Official directly, or indirectly through a third party, for the purpose of influencing an official act, omission or decision, gaining an advantage, obtaining or retaining business, influencing the enactment, modification or enforcement of any law, regulation or decision or official act or directive concerning CAN or securing any selective treatment to secure any contract, concession or other advantage for CAN or Personnel Member.

Personnel Members who make such payments are subject to appropriate disciplinary action by CAN, up to and including termination of employment, as well as to all penalties provided under applicable laws.

Use of CAN’s systems, facilities, resources, and networks for illegal purposes, including the facilitation of corruption or money laundering, is absolutely prohibited.

#### **ii. No solicitation or extortion**

Personnel Members must not solicit gifts, entertainment, money, or any Thing of Value from any person, corporation, or party.

#### **iii. Gifts, hospitality, and entertainment**

Gifts, hospitality, and entertainment shall not ever be given, directly or indirectly, to Government Officials to improperly influence or reward decisions, acts or inactions.

CAN recognizes that in certain circumstances, however, the provision of small gifts and entertainment may be appropriate. Such activities are subject to strict rules. Providing gifts, hospitality or entertainment must always be done in accordance with local law and business practices. In principle, they should only be provided if they are occasional and reasonable in amount. Determining what is “occasional and reasonable” is a matter of judgment. As a guideline, the greater the monetary value of the gift, hospitality, or entertainment, the higher the level of transparency that is required, and the less likely the gift is considered permissible. Gifts, hospitality, and entertainment of any kind must never be requested from a supplier, customer, business partner or other party with whom CAN does business.

Except as otherwise specifically authorized by senior management, hospitality and related expenditures must be directly connected to a legitimate business promotional activity or performance of an existing contract.

Gift-giving and entertainment are subject to the following general rules:

- The cost associated with the gift or entertainment should be reasonable given the specific circumstances. The cost of gifts, meals, and entertainment should always remain at or below that permitted by local law. Under no circumstances should the amount exceed what is considered a legitimate and customary expenditure for such activities by private businesspersons in the respective country.
- CAN’s books and records must properly record all gifts, identifying the value of the gift, the date the gift was given, and the name of the recipient.
- When officials are involved in making discretionary decisions that impact CAN's interests, Personnel Members must exercise heightened caution when considering the provision of any gifts or other benefits. In situations of uncertainty, immediate consultation with CAN's counsel is recommended.
- Gifts include cash and cash equivalents; service discounts not available to all people; gifts over the stipulated limit without approval; and favours or any form of hospitality or entertainment in return for, or in exchange for, business services or information or a business advantage. Such action may create an actual or perceived conflict of interest or may give the impression of anti-competitive behaviour.
- Entertainment includes entertainment in forums that would damage CAN’s reputation; gifts, hospitality or entertainment of an inappropriate value or nature or at inappropriate venues; and gifts, hospitality or entertainment not designed to further the promotion, demonstration or explanation of CAN’s products and services, or pursuant to the execution or performance of a contract between CAN and the Government Official.

#### **iv. Travel expenses for Government Officials or technical personnel**

Travel expenses relating to Government Officials or technical personnel are only to be paid when deemed necessary by senior management. Each case is to be dealt with on its own particular facts and merits.

The following principles will be applied in determining what form of support and in what amount is appropriate:

- Payment of travel expenses will only be permitted where allowed by local law; in cases of doubt, the approval of CAN's counsel should be sought.
- Travel and accommodation expenses for Government Officials will normally only be provided for specific events involving the promotion, demonstration or explanation of CAN's products and services, or contract execution or performance.
- CAN will not pay travel expenses for recreation or entertainment purposes, and normally not for anyone but the relevant Government Officials themselves, excluding their friends or family members.
- Travel and related expenses should normally be paid directly by CAN, rather than providing funds to the individuals for making their own arrangements.
- Cash payments should be avoided to the extent possible. Other monetary payments should be made by traceable instruments to government entities rather than to specific individuals where possible.
- *Per diem* allowances should only be paid as required, as permitted by local law and in modest amounts.

**v. CAN's support for public infrastructure, political contributions, sponsorship, and other charitable contributions**

Support for the construction or provision of public infrastructure should normally only be an element in the project agreements themselves, forming part of the initial project contracts. Such negotiations should be open and transparent and should relate or bear some relation to the project, however indirect. An example might be the provision of a local school or water treatment facility to a community proximal to a mine site. Any such payments must be properly recorded in books and records. Vigilance must be exercised to ensure that projects are legitimate and do not confer direct or indirect benefit to a Government Official.

If political contributions are deemed appropriate by CAN's senior management, they may only be done in accordance with local and applicable laws. These contributions should only be made after obtaining written authorization from the CEO, be modest in amount, without the expectation of receiving favorable treatment in return, and be accurately and timely reflected in books and records.

Any sponsorship or charitable contributions must be carefully examined by senior management to ensure they are legitimate and not covert instruments for activities that are otherwise inappropriate to the benefit a Government Official, or illegal.

#### **vi. Exceptions**

If there is an immediate and credible threat or risk to physical health, safety or security, a Personnel Member may make a payment to avoid that risk. When such payment is made it must be accurately reflected in books and records and reported to CAN's counsel.

#### ***Books and record keeping obligations***

Laws that govern CAN's international business activities require that CAN's books and records be complete and accurate. These books and records must correctly record both quantitative and qualitative aspects of transactions and dispositions of assets. Quantitative aspects refer to the amount of the transaction. Qualitative aspects include the written description of the transaction and the accounts that are credited or debited for the transaction.

Personnel Members must ensure that the substance of a transaction or disposition of assets be accurately described in a timely fashion in CAN's books and records and be sufficiently detailed to allow a full understanding and audit trail.

Misuse of financial and privileged information, concealment and misrepresentation of facts and figures, manipulation of accounting, financial, personnel, environmental and operational records and plans are strictly prohibited.

If any Personnel Member has concerns or complaints regarding accounting or auditing issues, he or she is encouraged to submit those concerns to the CFO or a member of the Audit Committee of the Board. Further, the Whistleblower Policy will be extended to cover any violations of this policy and/or applicable anti-corruption laws.

Business records and communications can become public through legal or regulatory investigations or the media. Personnel Members should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies. This applies to communications of all kinds, including email and informal notes or inter-office memos. Records should be retained and destroyed in accordance with CAN's records retention system in effect from time to time.

#### ***Third Party Obligations***

Third party activities can result in serious civil and/or criminal liability for CAN and its Personnel Members. Their activities accordingly must comply fully with this Anti-Bribery and Anti-Corruption Policy, CAN standards and applicable laws.

#### **i. Third parties**

Third parties whose activities may engender legal liability for CAN and who are therefore obligated to comply with the provisions of this Anti-Bribery and Anti-Corruption Policy include agents, intermediaries, representatives, consultants, distributors, teaming partners, contractors, suppliers, consortia, business partners and joint venture partners.

## **ii. Due diligence**

Before entering into any agreement with any third party, the following due diligence enquiries must be undertaken. The scope of the enquiries will depend upon the nature of their engagement.

Due diligence enquiries may include:

- Background checks including qualifications, financial background, government and political ties, number and reputation of clientele, reputation in community, criminal record checks and possible associations with criminal, terrorist or other proscribed persons or groups. Background checks should be performed by CAN officials, assisted where necessary by outside investigators or consultants.
- Ensuring that compensation requested by a third party is appropriate and justifiable for legitimate services rendered.
- Review by senior management of the results of background checks conducted on third parties. If the background check reveals problematic information, CAN will not, in the absence of extenuating circumstances, enter into an agreement with that third party.
- In cases where senior management is uncertain about a problematic information revealed in the third party's background, consultation with CAN's counsel is essential.

The results of these inquiries must be documented and retained by CAN.

## **iii. Obligations on third parties**

Third parties are prohibiting from engaging in bribery on CAN's behalf. All third parties will be provided the Anti-Bribery and Anti-Corruption Policy, and are required to read, understand, and comply with it.

## **iv. Third party contracts**

All contracts entered with third parties must incorporate provisions aimed at safeguarding CAN's interests. These commitments from the third party may include:

- Adherence to applicable laws, this Anti-Bribery and Anti-Corruption Policy, the Code of Ethics and Conduct, as well as other business conduct commitments deemed necessary by CAN.

- A provision requiring third parties to grant Personnel Members or designated external representatives full, complete, and timely access to books and records.
- Participate in training and certification relating to anti-bribery or other issues as determined necessary by CAN.
- Cooperate with CAN in any investigation that CAN deems necessary, including cooperation even after the termination of contracts with CAN.
- Provide written undertakings explicitly outlining their agreement to comply with the aforementioned provisions.

Contracts with third parties will state that non-compliance with the abovementioned conditions will constitute grounds for immediate termination of the contract.

#### **v. Red flags**

It is crucial to remain vigilant and not overlook potential risks associated with third parties engaging in bribery. Third-party activities have the potential to expose CAN to legal liabilities, and a lack of awareness regarding their actions may not serve as a valid defense. CAN considers the following “red flags” as potential indicators of possible irregularities signaling a necessity for Personnel Members to exercise heightened levels of due diligence in managing third-party relationships:

- Unusual or secretive financial arrangements, such as payments to:
  - An account in the name of another party or at a location unrelated to the transaction, for example an offshore bank account.
  - Shell companies, and,
  - Entities owned or controlled by Government Officials or their relatives or associates.
- Donations or ‘gifts’ to individuals or outside organizations including charities.
- Requests for cash transactions, or cheques payable to “bearer” or “cash”
- Request for a large credit line for a customer.
- Request for unusual bonuses, extraordinary payments, unorthodox or substantial up-front payments.
- Reluctance or refusal to disclose ownership.
- Family ties of a third party with a Government Official.
- Requests from third parties to keep their identity confidential.
- Third party is new to the business.
- Refusal to certify that it will comply with CAN’s Anti-Bribery and Anti-Corruption Policy.
- Lack of transparency in expenses and accounting records.
- Apparent lack of qualifications, staff, facilities, or resources to perform required services.
- Doing business with “known briber” entities or in countries where bribery is common.
- Requests for false or misleading documentation, including inflated, undervalued, or backdated receipts.

#### **vi. Monitoring and compliance**

After a third party has been retained, Personnel Members must monitor their activities for compliance with this Anti-Bribery and Anti-Corruption Policy. This monitoring must be documented, and the documents reflecting it shall be retained.

If a Personnel Member knows or reasonably believes the third party is engaged in bribery or any other violation of this Policy or Code, the Personnel Member shall immediately advise CAN's counsel and attempt to prevent the payment from happening.

*Communicating and monitoring of Anti-Bribery and Anti-Corruption Policy*

**i. Communication of policies**

CAN will ensure that the Anti-Bribery and Anti-Corruption Policy, standards and procedures are effectively communicated to all Personnel Members and third parties as appropriate.

The Anti-Bribery and Anti-Corruption Policy will be communicated by providing:

- A copy of the Policy to all new Personnel Members, and to all Personnel Members after amendments are made to the Policy, and third parties as appropriate.
- Periodic training for all Personnel Members and, where appropriate, third parties.
- Annual certifications ("Acknowledgement Statement on Governance Documents") are required from all Personnel Members and, when applicable, third parties. These certifications confirm their compliance with the training requirements, the Anti-Bribery and Anti-Corruption Policy, and adherence to all laws, rules, and regulations in the jurisdictions where they perform their duties and where CAN conducts its business activities.

Upon receipt of a written mandate, CAN's counsel shall be responsible for ensuring that annual certifications are obtained on or before the end of the first fiscal quarter of each year for all Personnel Members and third parties as appropriate, and for providing written confirmation to the Board that such certifications have been obtained and summarizing the results thereof.

**ii. Annual review**

The Anti-Bribery and Anti-Corruption Policy, along with the standards and procedures for anti-corruption compliance, internal controls, and ethics and compliance programs, will undergo an annual review by CAN. Updates, as deemed necessary, will be made to align with pertinent developments in the field and evolving international and industry standards.

Amendments to the Anti-Bribery and Anti-Corruption Policy will be subject to approval by the Board of Directors.

Personnel Members are strongly encouraged to actively consider CAN's business practices and to offer suggestions as to how to improve CAN's commitment to honesty, integrity, and accountability in its business practices.

**iii. Monitoring compliance**

Responsibility for implementing and overseeing the Anti-Bribery and Anti-Corruption Policy and related standards and procedures has been given to the CFO. The CFO shall have direct reporting obligations to the Audit Committee and shall have an adequate level of autonomy as well as sufficient resources and authority to maintain this autonomy. CFO will respond to any reports of violations and will undertake appropriate action in response.

CAN will conduct periodic review and testing of its Anti-Bribery and Anti-Corruption Policy and related standards and procedures, designed to evaluate and improve their effectiveness in preventing and detecting violations of the Policy, standards and procedures and anti-corruption laws, considering relevant developments in the field and evolving international and industry standards.

### Obligation to enforce

#### **i. Incident reporting and guidance**

All Personnel Members are expected to take all reasonable steps to prevent violations of the Anti-Bribery and Anti-Corruption Policy, and to seek guidance when necessary. If violations of laws, regulations or the Anti-Bribery and Anti-Corruption Policy occur they must be reported promptly to CAN's counsel.

Personnel Members and, where appropriate third parties, with questions about compliance with the Anti-Bribery and Anti-Corruption Policy may contact CAN's counsel, on an urgent and confidential basis.

Alternatively, any of CAN's Employees may submit, on a confidential or anonymous basis, any concerns regarding violations of this Anti-Bribery and Anti-Corruption Policy to the Chairman of the Audit Committee in accordance with CAN's Whistleblower Policy.

Any Personnel Member, or if appropriate third parties, who make good faith reports of suspected Wrongdoing will not suffer adverse consequences, even if CAN loses business as a result.

At the same time, anyone who files a report with the intention of spreading falsehoods or to threaten or damage any employee's reputation will be subject to disciplinary action.

#### **ii. Consequences of non-compliance**

Failure to comply with this the Anti-Bribery and Anti-Corruption Policy may result in severe consequences, including internal disciplinary action and in serious instances, dismissal or termination. Moreover, non-compliance with the Anti-Bribery and Anti-Corruption Policy may constitute a breach of relevant laws or regulations. If it appears that a Personnel Member may have violated such laws or regulations, CAN may be required to refer the matter to the appropriate regulatory authorities, which could result in penalties, fines or even possibly imprisonment.



### iii. Remedial procedures

CAN will implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent similar misconduct including assessing the internal controls, ethics and compliance program and making modifications necessary to ensure the program is effective.

#### **PRIVATE AND CONFIDENTIAL NOTICE**

CENTRAL AMERICA NICKEL INC.

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### III. DISCLOSURE POLICY

#### General

All Personnel Members are required to comply with the disclosure and confidentiality rules set out in CAN's policies and Code. This Policy supplements those provisions, and it is intended to raise awareness of our approach to disclosure among Personnel Members.

The objectives of this Policy are to:

- Ensure that Material Information about CAN is disclosed in a timely, consistent, and appropriate manner, in accordance with applicable law and internal procedures.
- Prevent the improper use or disclosure of Material Information or Confidential Information about CAN.

This Policy relates to all types of disclosure by CAN, namely to regulators, investors, lenders, the investment community, the media, industry counterparts, partners, governments, and other stakeholders.

The CEO and the CFO are ultimately responsible for the design and effectiveness of disclosure controls and procedures. To assist the CEO and CFO in fulfilling this mandate, an Audit Committee has been established with the following responsibilities:

- Determining whether information is Material Information.
- Ensuring timely disclosure of Material Information in accordance with applicable law.
- Overseeing the disclosure procedures and practices of the company.
- Monitoring the effectiveness of and compliance with this Policy.

#### Material Information

Information relating to CAN is material if:

- Such information results in or would reasonably be expected to result in, a significant change in the value of CAN's shares; or
- There is a substantial likelihood that a reasonable investor would consider it important while making an investment decision.

In other terms, there must be a substantial probability that the information would be viewed by a reasonable investor as having significantly altered the information available in the market concerning CAN.

Information about the following matters could be material, depending on the circumstances:

- Earnings, results or projections.
- Unexpected operational developments, including with respect to cybersecurity.
- Acquisitions, divestitures, amalgamations or mergers.
- Changes in the value of assets.
- Significant borrowing, lending or financing.
- Defaults regarding significant agreements or entering into significant agreements.
- Failure or alleged failure to comply with terms of licenses or relevant law or regulation.
- The occurrence of high-risk safety events or fatalities.
- Litigation or regulatory enforcement action, whether actual, pending or threatened.
- Labor disputes, whether actual, pending or threatened.
- Changes to distribution policies or payments.
- Plans to repurchase or redeem shares.
- Changes in capital or corporate structure.
- Changes to accounting policies or disagreements with auditors.
- A change of control.
- Changes in management or in the Board of Directors; or
- A credit rating downgrade or upgrade.

Please be aware that this list is not exhaustive; the examples provided are merely illustrative.

#### Disclosure of Material Information

The Audit Committee must be informed about events and developments that may be material. If any Personnel Member becomes aware of events or developments that may constitute Material Information about CAN, they must promptly contact the CEO or, in his or her absence, the CFO.

For clarity, Personnel Members are not responsible for deciding as to whether an event or development constitutes Material Information. Their responsibility is to recognize events or developments that might constitute Material Information and report such information promptly.

The Audit Committee, or a designated member thereof, is responsible for making the determination of whether the reported events or developments, considered together with the totality of the other information in the possession of the Audit Committee, is Material Information.

Also, if a Personnel Member becomes aware of an error or omission in any of CAN's publicly disclosed information, whether in regulatory filings, news releases or otherwise, they must promptly contact the CEO or, in his or her absence, the CFO.

Material Information about CAN may be disclosed in a news release, unless it is determined by the Audit Committee, or a designated member thereof, that the information must remain confidential.

No news release will be publicly disseminated by CAN until it has been reviewed and approved by the Audit Committee, or a designated member thereof.

### Confidentiality

If Personnel Members are privy to Confidential Information (regardless of whether such information is also Material Information), they are prohibited from communicating that information to anyone other than authorized personnel who have a legitimate need to know such information in connection with their duties and who have been advised of the confidential nature of such information.

No one in possession of Confidential Information should disclose that information to any external party, unless required to do so in the necessary course of business.

The following are examples of circumstances that could require disclosure of Confidential Information with external parties in the necessary course of business:

- Communications with CAN's vendors, suppliers, or strategic partners regarding its needs or preferences.
- Communications with CAN's lenders, legal counsel, auditors, underwriters, and financial and all other professional advisors.
- Communications during negotiations with counterparties.
- Communications with labour unions, industry associations, government agencies, regulators and stakeholders about CAN's interests or business; and
- Communications with credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available).

Where practical, external parties who are given Confidential Information about the company will be asked to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

When Personnel Members are unsure about whether the information they have is confidential or whether they are permitted to disclose it to an outside party, they must seek guidance from internal legal counsel.

To prevent the misuse or inadvertent disclosure of Confidential Information, Personnel Members are invited to respect the following guidelines:

- Do not discuss confidential matters in public places or in a manner where the discussion may be overheard.
- Do not read confidential documents in public places or discard them where others may retrieve them.
- Keep confidential documents in a safe place (inside as well as outside the office) with access restricted to individuals who “need to know.”
- Only transmit confidential documents by electronic means if it is reasonably believed that transmission can be made and received securely; and
- Use passwords to protect confidential electronic data and use code names in communications and within confidential documents as appropriate in the circumstances.

### CAN's communications

CAN designates a limited number of persons who are authorized to communicate with the media or the investment community (which includes investors, potential investors, analysts and brokers) on its behalf.

CAN's Authorized Spokespersons are the: (i) Chairman; (ii) CEO; (iii) President; (iv) CFO; (v) Director; (vi) Director Business Development.

These Authorized Spokespersons may, from time to time, designate others to speak on behalf of the company as back-ups or to respond to specific inquiries from the investment community or the media.

Only Authorized Spokesperson may respond to inquiries about CAN from the investment community or the media, whether regarding Material Information or otherwise. Anyone who is not an Authorized Spokesperson must refer any request they receive to an Authorized Spokesperson.

The Audit Committee will review and approve the following disclosures in advance of their public release by the company: (i) news releases containing business information, including projects under negotiation and finalized contracts; and (ii) news releases containing material financial information based on the company's financial statements prior to the release of such statements. When the Audit Committee has reviewed and approved disclosures, such disclosures will include a reference to this review.

### Inadvertent disclosure and errors in disclosure

If inadvertent disclosure of Material Information is made in a selective forum, such as a meeting with analysts or institutional investors, CAN will promptly issue a news release in order to ensure that such information is broadly disseminated.

If inadvertent disclosure or an error in disclosure occurs, CAN shall take appropriate remedial action which may include notification of the appropriate regulator of the inadvertent error, the

making of broad public disclosure of the information or correction of the information through a press release.

#### Electronic media

If a Personnel Member encounters a discussion or posting on electronic media pertaining to CAN that they deem significant or troubling, they must advise the Department of Human Resources and/or their Supervisor.

Generally, CAN's Disclosure Policy is to neither confirm nor deny rumours (whether in the media, on the internet or otherwise) when asked to comment. However, when authorized by the Audit Committee, Authorized Spokespersons may make exceptions and respond as prescribed by the Audit Committee.

#### Access to this Policy and consequences of non-compliance

Upon commencement of employment, each Personnel Member will be provided with a copy of this Disclosure Policy. The version of this Policy available on the intranet may be more current and up-to-date and supersedes any paper copies, should there be any discrepancy between paper copies and what is posted online.

Anyone subject to this Policy who violates it may face Reprisals up to and including termination of his or her employment for cause and without notice.

#### Approval of this Policy

This Policy has been approved by the Board of Directors. Any future revisions to this Policy will be approved by the Board of Directors and made available to all Personnel Members.

## **IV. WHISTLEBLOWER POLICY**

### General

The purpose of the Whistleblower Policy is to establish the procedure for reporting concerns related to illegal activities or other Wrongdoings by CAN's Personnel Members or business partners.

This Policy applies to all Personnel Members, suppliers, and customers of CAN.

CAN is committed to providing a work environment where Personnel Members are dedicated to working with integrity and supporting ethical behavior.

Through this Policy, CAN provides a confidential and anonymous avenue for Personnel Members to report concerns that may lead to an Accounting Irregularity, illegal activity, or a violation of CAN's policies.

### Responsibilities and procedure

All Personnel Members must immediately report any Incident that they believe constitutes Wrongdoing to the Audit Committee, following the procedure set out in the following section.

The Personnel Member, the Discloser, must keep any information relating to the process strictly confidential. This Policy protects any Personnel Member who in good faith submits any complaint to the Audit Committee regarding any Wrongdoing, included but not limited to financial statements disclosures, accounting, internal accounting controls, auditing matters or violations to the Code or any of CAN's policies, in accordance with the procedures set out herein.

Upon receiving a complaint, the Audit Committee will promptly conduct a thorough investigation on the matter. The Audit Committee shall notify the Board of Directors and the CEO of all investigations, and it is the obligation of all Personnel Members to cooperate in all investigations. Those responsible for an investigation will maintain the confidentiality of the allegations of the complaint and the identity of the persons involved, subject to the need to conduct a full and impartial investigation, remedy any violations of CAN's policies, or monitor compliance with or administer CAN's policies.

The investigation will generally include, but will not be limited to, discussion with the complainant (unless the complaint was submitted on an anonymous basis), the party against whom allegations have been made, and witnesses, as deemed appropriate.

In the event an investigation establishes that a Personnel Member has engaged in conduct or actions constituting a Wrongdoing, CAN will immediately and appropriately take corrective measures, up to and including termination of a Personnel Member's employment or contract.

Nothing contained in this Policy limits Personnel Members' ability to file a charge or complaint with a governmental regulatory agency, and nothing herein limits their ability to communicate with any such agencies or otherwise participate in any investigation or proceeding that may be conducted by any such agency, including providing documents or other information, without notice to CAN.

### The Audit Committee's procedure

The Audit Committee has adopted the following procedure:

1. Any of CAN's Personnel Members may submit, on a confidential or anonymous basis if they so desire, any concerns regarding a Wrongdoing. All such concerns shall be submitted in writing and forwarded in a sealed envelope to the Chairman of the Audit Committee labeled with a legend such as "To be opened by the Audit Committee only, being submitted pursuant to the Whistleblower Policy." If the Discloser would like to discuss any matter with the Audit Committee, he or she should indicate this in the submission and include a telephone number at which he or she might be contacted if the Audit Committee deems it appropriate. If

management receives any such envelope, it shall be forwarded promptly and unopened to the Chairman of the Audit Committee.

The Chairman of the Audit Committee can be reached as follows:

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*Attn: Dan Amadori - dan.amadori@lamerac.com*

2. Following the receipt of any complaints submitted hereunder, the Audit Committee will investigate each matter so reported and take corrective and disciplinary actions where appropriate, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase, bonus or stock options, suspension without pay or termination of employment. The Audit Committee shall notify the Board of Directors and the CEO of such investigations.

During investigations, the Audit Committee shall endeavour to act in a prudent and reasonable manner, with minimal disruption to CAN's business and affairs and with sensitivity to the personal circumstances of the individual being investigated.

In circumstances of impropriety alleged against the Board of Directors, as a whole or any member thereof, the CEO shall be responsible to investigate such allegations and the CEO shall report his or her findings to the Board of Directors.

The Audit Committee may engage CAN's Personnel Members and/or seek assistance from legal, accounting, or other advisors, as deemed appropriate, to conduct any investigation of complaints regarding a Wrongdoing. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the Discloser.

The Audit Committee shall retain as a part of the records of the Audit Committee any such complaints or concerns for a period of no less than six (6) years.

The Audit Committee will review and evaluate this Policy on an annual basis to determine whether it is effective in providing appropriate procedures to report violations or complaints regarding CAN's policies. The Audit Committee will submit recommended changes to the Board for approval.

*CAN's commitment*

CAN is committed to investigating and dealing with all concerns, complaints, or Incidents of Wrongdoings in a fair and timely manner while respecting the confidences and sensitivities of all persons involved; except where disclosure is required to investigate the Incident or to take appropriate action, including disciplinary measures.

CAN will inform the Discloser of the investigation results and will take appropriate remedial or disciplinary action up to and including termination of Personnel Member who is in breach of applicable human rights legislation, federal or provincial laws and/or company policies.

Unsubstantiated allegations not made in good faith will be treated as a serious offence and may result in disciplinary action, up to and including termination.

CAN will not permit any Personnel Members to harass, retaliate or discriminate against Disclosers, who, in good faith, report an Incident. Retaliation in any form will not be tolerated.

## **V. BOARD OF DIRECTORS MANDATE**

### General

The purpose of this mandate from CAN's Board of Directors is to provide guidance to Board members regarding their duties and responsibilities. The power and authority of the Board is subject to the provisions of applicable law and its constitutive documents.

The Board is responsible for the stewardship of CAN. This requires the Board to oversee the conduct of CAN's business and affairs. The Board discharges some of its responsibilities directly while others are discharged through committees of the Board. The Board is not responsible for the day-to-day management and operation of CAN's business, as this responsibility has been delegated to management. The Board is, however, responsible for supervising management in carrying out this responsibility.

### Directors

The Board consists of Directors elected by the shareholders as provided for in CAN's constitutive documents, and in accordance with applicable law and any policies adopted from time to time by the Board.

Each member of the Board must act with honesty and in good faith with a view to CAN's best interests, and must exercise the care, diligence, and skills that a reasonably prudent person would exercise in comparable circumstances. Directors have many roles and responsibilities regarding the Board's affairs, and they are also responsible for other duties as they arise in the Director's role itself.

All members of the Board must have suitable experience and skills given CAN's nature and its businesses and must have a proven record of sound judgment. Directors must possess characteristics and traits that reflect:

- High ethical standards and integrity in their personal and professional dealings.
- The ability to provide thoughtful and experienced counsel on a broad range of issues and to develop a depth of knowledge of CAN's businesses in order to understand and assess the assumptions on which CAN's strategic and business plans are based.



- The ability to form an independent judgment with respect to the appropriateness and probability of achieving such plans, all in CAN's best interest.
- Capacity to monitor and evaluate CAN's financial performance; and
- An openness for the opinions of others and the willingness to listen, as well as the ability to communicate effectively and to raise tough questions in a manner that encourages open and frank discussion.

Directors are expected to commit the time and necessary resources to properly carry out their duties. Among other matters, Directors are expected to adequately prepare for and attend all regularly scheduled Board meetings. New Directors are expected to understand fully the role of the Board, the role of the committees of the Board and the individual contribution that Directors are expected to make.

Members of the Board shall carry out their responsibilities objectively, honestly and in good faith, always prioritizing CAN's best interests. Directors are expected to conduct themselves according to the highest standards of personal and professional integrity. Directors are also expected to set the standard for ethical conduct and ensure ethical behaviour and compliance with laws and regulations. If an actual or potential conflict of interest arises, a Director shall promptly inform the Chairman or Vice Chairman and shall refrain from voting or participating in discussion of the matter in respect of which he has an actual or potential conflict of interest. If it is determined that a significant conflict of interest exists and cannot be resolved, the Director should resign.

Directors are expected to act in accordance with applicable law, CAN's constitutive documents, this Code and all other policies applicable to Directors as are adopted from time to time, namely the Disclosure Policy, the Whistleblower Policy and the Environmental Health and Safety Policy.

### Board Meetings

The Board shall meet in accordance with a schedule established each year by the Board, and at such other times as the Board may determine. Meeting agendas shall be developed in consultation with the Chairman or Vice Chairman. Board members may propose agenda items by communication with the Chairman, Vice Chairman or the Personnel Member assisting the Chairman in drafting the Board meeting agenda and related documents.

The Chairman is responsible for ensuring that a suitably comprehensive information package is sent to each Director in advance of each meeting. At the discretion of the Board, members of management and others may attend Board meetings, except for separate meetings of the independent Directors of the Board.

Directors are expected to be fully prepared for each Board meeting, including, at a minimum, the requirement to have thoroughly reviewed the material provided to them prior to the meeting. At Board meetings, each Director is expected to take an active role in discussion and decision-making. To facilitate this, the Chairman is responsible for fostering an atmosphere conducive to open discussion and debate.

Where applicable, independent Directors shall have the opportunity to meet at appropriate times without management present at regularly scheduled meetings. The Chairman shall be responsible for presiding over meetings of the independent Directors. Independent Directors may propose agenda items for meetings of independent Director's members through communication with the Chairman or Vice Chairman.

### The Board's responsibilities

The Board is responsible for approving CAN's goals, objectives, and strategies. The Board is also responsible for overseeing the implementation of appropriate risk assessment systems to identify and manage principal risks of CAN's business.

In addition to the other matters provided in its mandate, including the matters delegated to Board committees, the Board is also responsible for the following specific matters:

- Review and approve management's strategic plans.
- Review and approve CAN's financial objectives, business plans and budgets, including material capital expenditures.
- Monitor corporate performance against the strategic plans and business, operating and capital budgets.
- Management succession planning, including appointing and monitoring the CEO.
- Assess its own effectiveness in fulfilling its responsibilities, including monitoring the effectiveness of individual Directors.
- Ensure the integrity of CAN's internal control system and management information systems.
- Develop CAN's approach to corporate governance, including developing a set of corporate governance principles and guidelines; and
- Satisfy itself that appropriate policies and procedures are in place regarding public disclosure, including the review and approval of CAN's corporate Disclosure Policy and confirmation that a process is in place to disclose all Material Information in compliance with CAN's timely disclosure obligations and to prevent selective disclosure of Material Information to analysts, institutional investors, market professionals and others.

A Director has an important and positive role as an CAN representative. A Director is also expected to participate in outside activities that enhance CAN's image to investors, Employees, customers, and the public.

The Board recognizes the importance of having procedures in place to ensure the effective and independent operation of the Board. In addition to the policies and procedures outlined elsewhere in their mandate and in the position descriptions of the Chairman of the Board and the Vice Chairman of the Board, the Board has adopted the following procedures:

- The Board has complete access to CAN's management.
- The Board requires timely and accurate reporting from management and shall regularly review the quality of management's reports.
- Subject to the approval of the Board, individual Directors may engage an external advisor at CAN's expense, in appropriate circumstances.

- The Chairman of the Board shall monitor the nature and timeliness of the information requested by and provided by management to the Board to determine if the Board can be more effective in identifying problems and opportunities for CAN; and
- The Chairman, together with the CEO, shall develop a position description for the CEO, which shall be approved by the Board.

Subject to limits on delegation contained in corporate laws applicable to CAN, the Board has the authority to establish and carry out its duties through committees and to appoint Directors to be members of these committees. The Board assesses the matters to be delegated to committees of the Board and the constitution of such committees annually or more frequently, as circumstances require. From time to time the Board may create *ad hoc* committees to examine specific issues on behalf of the Board.

### Board committees

The Board has established the Audit Committee, which can be reached at the following address:

CENTRAL AMERICA NICKEL INC.  
 201 NOTRE-DAME STREET WEST, SUITE 500, MONTREAL, QUEBEC, H2Y 1T4  
 WWW.CENTRALAMERICANICKELUAEX.COM/  
 Attn: Dan Amadori, - dan.amadori@lamerac.com

## **VI. ENVIRONMENTAL HEALTH AND SAFETY (EHS) POLICY**

CAN is committed to environmental consciousness, as well as the health and safety of its Personnel Members and communities, which are essential to embodying its corporate values of serving customers, acting with integrity, empowering its Employees and consistently improving itself.

CAN's EHS responsibility exists whether in an office or in a transportation vehicle.

CAN implements its EHS Policy through its management system that guides its actions and tracks key performance indicators to manage risks and solicit continuous improvement.

Guided by its values and in accordance with its Code, CAN ensures the following:

- Meet or exceed all applicable EHS regulations and CAN standards.
- Follow established policies, procedures, and share best practices to create safe and compliant workplaces and environmentally responsible operations.
- Encourage and empower Personnel Members to understand, identify and mitigate, when possible, the safety risks associated with their roles.
- Promote a “speak-up” culture which will ensure that Personnel Members report all potential and actual risks and Incidents and which will provide a culture that promotes physical and mental well-being to help our Employees live healthy, full and productive lives.

While CAN is committed to operating responsibly and seeking to reduce adverse environmental impacts from its operations, Personnel Members and key partners have a responsibility to comply

with all applicable EHS requirements. To manage its environmental risks, CAN follows a path of continuous improvement: investigating, assessing, understanding, and improving environmental aspects and impacts.

CAN uses EHS goal setting and achievement as a motivator of innovation and sustainable growth within all areas of business. CAN believes that progress toward its goals should be transparent and accessible to all our stakeholders, including our Employees and the community within which it operates.

CAN recognizes and rewards EHS performance, as it believes that engagement, diversity of thought, and active dialogue contributes to collective learning, increase transparency, and build trust among Personnel Members and key partners.

## **VII. GENDER EQUALITY, DIVERSITY AND INCLUSION POLICY**

### *Purpose and Objectives*

CAN recognizes that its Personnel Members come from diverse backgrounds, with varying experiences and needs, and it is committed to ensuring that gender equality, diversity and inclusion are embedded into its daily working practices.

To this end, CAN actively promotes fairness, respect, gender equality, diversity, inclusion, and engagement and it is committed to continuous improvement. CAN's management actively works to end all forms of systemic discrimination and foster an inclusive working environment where each of its Personnel Members feels respected, heard, valued, and supported.

In order to fulfill the purpose of this policy, CAN has identified the following objectives:

- Ensure that no Personnel Member, client or potential client receives less favorable treatment than any other person, adjusting services where necessary in order to facilitate this.
- Ensure opportunities are accessible to all, introducing reasonable accommodations to facilitate this where required.
- Create an environment where staff and clients are treated fairly and with dignity and respect.
- Enforce a zero-tolerance approach in relation to discrimination, bullying, harassment, sexual harassment, and any inappropriate behavior.
- Thoroughly investigating any reported incidents and taking appropriate actions.
- Ensure fair treatment for job applicants, free from any form of bias.
- Provide a safe and supportive environment where each Personnel Member can contribute to their fullest potential.

### *Scope*

This policy applies to CAN, its management, Board of Directors, Personnel Members, clients and any external partners that are engaged by CAN.

Gender equality, diversity and inclusion imposes rights and responsibilities on every Personnel Member. All Personnel Members and management of CAN will be informed that a Gender Equality, Diversity and Inclusion Policy is in operation and that they are bound to comply with its requirements.

Diversity can be defined as the visible and non-visible differences between individuals. These differences can be related to age, colour, race, ethnic or national origin, religion, disability, pregnancy, sexual orientation, and gender identity or expression, as well as the many differences in values, attitudes, beliefs, cultural views, skills, knowledge, education, background, employment, parenthood, marital or civil status, and life experiences of every individual.

Discrimination may occur when an individual is subjected to less favorable treatment compared to another person in a similar position, based on one or more factors, including but not limited to: age, sex, sexual orientation, gender, parenthood, marital status, race, religion and disability. Discrimination may also arise where a person is subject to an objectively neutral condition that puts them in a disadvantageous situation compared to other persons because of one or more of the aforementioned factors.

Harassment or bullying includes any form of unsolicited conduct related to any of the foregoing factors, which causes a negative situation for the person who is the object of such conduct. The manifestation of the situation and reaction may vary from person to person. Improper conduct, directed at and offensive to another individual in the workplace, at any work-related event or location, is considered harassment. The individual engaging in such conduct, if aware or should reasonably be aware of its potential to cause offense or harm, is in violation of this policy.

Sexual harassment, like harassment, is defined as conduct that has the purpose or effect of violating a person's dignity and creating an intimidating, hostile, degrading, humiliating or offensive environment for the person who is the object of the conduct. In the workplace context, sexual harassment refers to unwelcome and inappropriate behavior or advances of a sexual nature that create a hostile, intimidating, or offensive working environment. This can include but is not limited to:

- Unwanted sexual comments, gestures, or jokes.
- Requests for sexual favors.
- Displaying sexually suggestive material.
- Unwanted touching or physical contact.
- Sexual coercion or pressure.

CAN will not tolerate any form of discrimination, harassment, sexual harassment or bullying of any kind, either internally among Personnel Members, or externally among any of the foregoing and an external partner.

CAN's Personnel Members, other consultants and management are responsible for treating each other with fairness and respect. The implementation of this policy is the responsibility of every individual at CAN.

### Recruitment and Retention

CAN aims to promote the considerations and objectives of this policy as an employer. It also strives to ensure that no job applicant or Personnel Member receives less favorable treatment or is disadvantaged by conditions or requirements that cannot be justified within the context of this policy.

CAN does not, and will not, discriminate on grounds of age, colour, race, ethnic or national origin, religion, disability, pregnancy, sexual orientation, and gender identity or expression, or any other factor which may cause discrimination, in the recruitment and retention process of its Personnel Members, potential or retained.

To this effect, is committed to following appropriate selection and recruitment procedures, and reviewing such procedures as required, to constantly improve gender equality, diversity and inclusion practices.

CAN views discrimination, harassment, sexual harassment, abuse, victimization or bullying of Personnel Members, clients or of others in the course of work as disciplinary offences that could be regarded as serious misconduct.

### Monitoring and Evaluation

CAN will systematically evaluate its services and the effectiveness of its policy through its Audit Committee.

Any Personnel Member may file a complaint to the Audit Committee if they believe a Wrongdoing was committed or is being committed.

### The Audit Committee's procedure

The Audit Committee has adopted the following procedure:

1. CAN's Personnel Members are encouraged to submit, on a confidential or anonymous basis if they so desire, any concerns regarding a Wrongdoing under this policy. All such concerns shall be set forth in writing and forwarded in a sealed envelope to the Chairman of the Audit Committee labeled with a legend such as *"To be opened by the Audit Committee only, being submitted pursuant to the GEDI Policy."* If the Discloser would like to discuss any matter with the Audit Committee, he or she should indicate this in the submission and include a telephone number at which he or she might be contacted if the Audit Committee deems it appropriate. If management receives any such envelope, it shall be forwarded promptly and unopened to the Chairman of the Audit Committee.

The Chairman of the Audit Committee can be reached as follows:

**PRIVATE AND CONFIDENTIAL NOTICE**  
 CENTRAL AMERICA NICKEL INC.  
 201 NOTRE-DAME STREET WEST, SUITE 500, MONTREAL, QUEBEC, H2Y 1T4

WWW.CENTRALAMERICANICKELUAEX.COM/

*Attn: Dan Amadori - dan.amadori@lamerac.com*

2. Following the receipt of any complaints submitted hereunder, the Audit Committee will investigate each matter so reported and take corrective and disciplinary actions where appropriate, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase, bonus or stock options, suspension without pay or termination of employment. The Audit Committee shall notify the Board of Directors and the CEO of such investigations.

During investigations, the Audit Committee shall endeavour to act in a prudent and reasonable manner, with minimal disruption to CAN's business and affairs and with sensitivity to the personal circumstances of the individual being investigated.

In circumstances of impropriety alleged against the Board of Directors, as a whole or any member thereof, the CEO shall be responsible to investigate such allegations and the CEO shall report his or her findings to the Board of Directors.

The Audit Committee may engage CAN's Personnel Members and/or seek assistance from legal, accounting, or other advisors, as deemed appropriate, to conduct any investigation of complaints regarding a complaint. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the Discloser.

The Audit Committee shall retain as a part of the records of the Audit Committee any such complaints or concerns for a period of no less than six (6) years.

The Audit Committee will review and evaluate this Policy on an annual basis to determine whether it is effective in providing appropriate procedures to report Wrongdoings regarding CAN's policies. The Audit Committee will submit recommended changes to the Board for approval.