

CORNISH METALS INC.

**For the avoidance of doubt
this Policy applies to South Crofty Ltd., an indirect subsidiary of Cornish Metals Inc.**

SANCTIONS POLICY

1. Purpose of this Policy

Cornish Metals Inc. and its subsidiaries (the “**Group**”) are committed to conducting business in an honest and ethical manner. The purpose of this Policy is to:

- (a) set out the Group’s responsibilities, and those working for and on our behalf, in observing and upholding our position on sanctions; and
- (b) provide information and guidance to those working for and on our behalf on how to recognise and deal with sanction regulations.

2. Policy commitment

The global nature of our business and because sanctions apply across borders means the individuals or entities the Group engages with in those territories may be subject to sanctions imposed by multiple government authorities. This includes those of the United Kingdom (UK), Canada, the European Union (EU) and/or the United States (US), amongst others.

The Group is committed to complying with all sanctions applicable to its business activities. The Group does not participate in transactions or engage in conduct designed or intended to evade or facilitate a breach of applicable sanctions. The Group does not conduct business in, or involving any, embargoed territory or sanctions targets, and does not conduct business that would violate any applicable trade controls or anti-boycott laws. It does not engage in any sanctionable activity that could result in the designation of the Group as a sanctions target.

3. Who does this Policy apply to?

This Policy applies to all directors, officers and employees (“**Personnel**”) working for the Group, and others working on our behalf in any capacity, including agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located. In this policy, third party means any individual or organisation that Personnel come into contact with during the course of their work for the Group, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

This Policy applies to all Personnel. Policy awareness training forms part of the induction process for new Personnel and all existing Personnel receive training on their responsibilities and how to comply with this Policy.

This Policy is available to external parties through the Company’s website.

4. Responsibility for this Policy

The Board of directors has overall responsibility for ensuring this Policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Chief Financial Officer (CFO) has primary and day-to-day responsibility for implementing this Policy, monitoring its use and effectiveness, dealing with any queries about it, and reviewing internal control systems and procedures to ensure they are effective in complying with sanctions.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this Policy and are given adequate and regular training on it.

5. What are sanctions?

Government authorities impose sanctions for a variety of national security and foreign policy reasons, either unilaterally, based on UN Security Council resolutions, or other multilateral policy initiatives. Failure to address the risk of sanctions violations may undermine the Group's reputation and lead to investigations, fines and/or other penalties for the company and/or individuals.

The UK Sanctions List can be accessed through the following link [The UK Sanctions List - GOV.UK](#). Guidance for Personnel on key terms in relation to the various mechanisms that are in place with regard to sanctions on both individuals and entities is provided within Group internal policies.

6. Processes

The Group's sanctions measures include the following processes:

- (a) Identifying the party/ies involved (or his/her representative and proxy if a transaction is being concluded in favour of another individual), and verifying identity;
- (b) Identifying the beneficial owner of the party, as well as undertaking reasonable measures to verify his/her identity;
- (c) Obtaining information on the purpose and intended nature of the business relationship;
- (d) Ensuring that the individual or entity involved in any transaction does not appear on any relevant Government sanction list;
- (e) Observing rules regarding transactions with Politically Exposed Persons; and
- (f) Suspending transactions in certain cases.

7. Risk-based approach

To assess each transaction the Group shall apply a risk-based approach that requires the party involved in a transaction to undergo a risk assessment according to their identity, reputation, geographical origin and/or related country, alongside the sanction requirements for the appropriate jurisdiction.

8. Record-keeping

The Group keeps financial records and has appropriate internal controls in place which will evidence the business reason for entering into transactions with third parties.

The Group prepares all accounts, invoices, and other records relating to dealings with third parties including suppliers and customers with accuracy and completeness. Accounts are not kept "off-book" to facilitate or conceal improper payments.

Where appropriate, the Group will record and identify where sanctions vetting of transactions has been undertaken and the outcome arising.

9. Consequences of failure to comply

The Group has a strong commitment to conduct its business in a lawful and ethical manner and may terminate our relationship with other individuals and organisations working on our behalf if they breach this Policy.

10. Review

The CFO will review this Policy annually to consider its suitability, adequacy and effectiveness. Any amendments identified will be made as required.

Approved by the Board of Directors of Cornish Metals Inc. on 12 March 2025.