

## CORNISH METALS INC.

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

### TAX 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, including ensuring compliance and transparency in its tax affairs.

The purpose of this policy is to set out the scope of the Group’s taxation obligations and the Group’s approach to ensuring its tax affairs are managed in a compliant and transparent manner.

#### 2. Policy commitment

The Group is committed to acting professionally and with integrity in all our business dealings and relationships wherever we operate and implementing effective systems to enable us to meet our tax obligations.

The Group will uphold all laws relevant to taxation in the jurisdictions where it is subject to taxation.

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

#### 3. Scope of this Policy

This Policy applies to Cornish Metals Inc. and its subsidiaries as set out below, together with the applicable jurisdiction to which the entity is primarily subject to taxation:

Cornish Metals Inc	Canada
Cornish Metals Limited	United Kingdom
South Crofty Limited	United Kingdom
Cornish Minerals UK Limited	United Kingdom
Strongbow Alaska Inc	United States of America

For the purposes of this policy, tax includes all direct and indirect taxes which are either paid by the Group or collected by the Group and remitted to the tax authorities.

It is important to ensure consistent and effective tax standards are maintained across the Group as tax (both direct and indirect) can have a significant financial and reputational impact on the Group, and therefore on many of the Group’s business activities.

#### 4. Responsibility for this Policy

The Board of directors has overall responsibility for ensuring this Policy complies with our legal and ethical obligations in relation to taxation.

The Board has delegated primary and day-to-day responsibility for implementing this Policy to the Chief Financial Officer (CFO), who has ownership of the Group’s tax operations and oversight of tax risks, with the

detailed analysis and preparation of the tax records being managed by the Finance department. The CFO's responsibilities relating to taxation include:

- (a) Regular communication with the Audit Committee regarding management of material tax risks and opportunities;
- (b) Reviewing the tax implications and risks of significant transactions;
- (c) Approving external advisor appointments in relation to taxation;
- (d) Monitoring adherence to the Tax Policy;
- (e) Preparation of tax disclosures for the Group's financial statements;
- (f) Approval of tax returns; and
- (g) Ensuring accounting systems and controls report accurate and timely information for tax reporting purposes.

## **5. Core objectives**

The Group's core objectives in managing and controlling its tax affairs and related tax risks are as follows:

- (a) Ensuring compliance with applicable rules and regulations in the jurisdictions in which the Group operates; and
- (b) Structuring the business in the most efficient and transparent manner with the emphasis being on the maximisation of shareholder value.

## **6. Risk management**

Tax legislation of the jurisdictions in which the Group operates differs and is subject to interpretation by management and the taxation authorities and as such, creates a risk of non-compliance with specific tax requirements. Whilst the Board believes that the Group is in substantial compliance with tax legislation, the complexity and judgemental nature of tax legislation result in a risk of non-compliance for the Group.

The Group's on-going approach to tax risk is based on principles of reasonable care and materiality. Each tax risk is measured based on a balance of impact of that risk and its likelihood. Tax risks feed into the Group's risk management process, including their recording in the Group's risk register. The aim is not to avoid or eliminate risk entirely, but to manage closely the Group's exposure to risk.

The Group is not prescriptive in terms of levels of acceptable risk, however the Group's strategic objective is to comply with legal requirements in the taxing jurisdictions in which the Group operates, in a manner that ensures we pay the right amount of tax while creating sustainable shareholder value, underpinned by a tax philosophy based on an open, co-operative and transparent relationship with the tax authorities. The Group considers therefore that it has a low tax risk appetite.

## **7. Control activities**

The Group takes a responsible and transparent approach to the management and control of its tax affairs and related tax risks, and has therefore adopted control activities that are aimed at achieving the above objectives, thereby aligning them with the Group's long-term strategy:

- (a) The Group's tax risks are assessed as part of the Group's formal governance processes and are reviewed by the CFO who reports them to the Audit Committee on a regular basis;
- (b) Significant tax risks, implications arising from those risks and potential mitigating actions are considered by the Board when strategic decisions are being taken;

- (c) The tax risks of proposed transactions or new areas of business are fully considered before proceeding;
- (d) The annual effective tax rate, the composition of the tax charge and related tax disclosures are reviewed by the Audit Committee as part of its remit in reviewing the annual financial statements;
- (e) The Group builds an equitable relationship with the tax authorities in the jurisdictions in which it operates;
- (f) The Group takes appropriate tax advice from reputable professional firms;
- (g) Where disputes arise with governmental authorities with regard to the interpretation and application of tax legislation, the Group is committed to addressing the matter promptly and resolving the matter with the relevant tax authority in an open and constructive manner; and
- (h) The Group employs chartered accountants to manage the Group's tax affairs and arranges ongoing technical training for them.

## **8. 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.**