

# CornishMetals

**CORNISH METALS INC.**  
(the “Company”)

## **CANADIAN ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

### **Application of Policy**

We expect directors, officers, employees and consultants (the “**Representatives**”) to make reasonable efforts to ensure that they are familiar with anti-corruption laws affecting their activities. Representatives must not only comply with anti-corruption laws in both Canada and in the jurisdictions in which the Company operates, including the United Kingdom, but they must also make reasonable efforts to ensure persons acting for or on behalf of them do not directly or indirectly make any bribe or offer a benefit to any public official, other than routine entertainment expenses.

### **Anti-Bribery and Anti-Corruption Standards**

#### Bribery

In Canada, the applicable legislation is the *Corruption of Foreign Public Officials Act* (the “**Act**”). Under the bribery offence under this legislation, the Company and its Representatives shall not (a) directly or indirectly, offer, give or agree to give or offer a loan, reward, advantage or benefit of any kind to a public official, political party, party official or political candidate as consideration for an act or omission by the recipient in relation to their duties to their government or employer, or to induce the recipient to use their position to influence an act or decision of their government or employer for the purposes of obtaining or retaining an advantage in the course of business, including an act or decision to direct business; or (b) agree to, or comply with any demands for a bribe made by a public official, political party, party official or political candidate.

Payment, however large or small, in exchange for a business advantage can trigger liability under the Act. Actual payment is not required. An offer or promise to pay is sufficient to commit an offence under the Act. Examples of a business advantage include, but are not limited to, favourable treatment in securing or advancing business, contracts, licenses or permits.

#### Extortion

Neither the Company nor any Representatives may directly or indirectly demand or accept a bribe, facilitating payment or kickback.

A facilitating payment means any payment made to expedite routine governmental action that does not involve obtaining, retaining or directing business, such as processing visas, permits, licences or other official documents, providing services normally offered to the public, such as mail delivery, telecommunication services and power and water supply and providing services normally provided as required, such as police protection, loading and unloading of cargo or scheduling of inspection related to contract performance or transit of goods.

A kickback means a payment of any portion of a contract to employees of another contracting party, directly or by use of other techniques such as subcontracts, purchase orders or consulting agreements to channel payments to a government official, employees of another contracting party, or their relatives or business associates.

### Political Contribution

The Company or any Representatives may not make any contributions or provide any financial support to political parties or candidates on behalf of the Company.

### Gifts

Employees whose duties permit them to do so, such as employees in marketing, may offer, with the prior written consent of the CEO, modest gifts, entertainment or other benefits to persons who have a business relationship with the Company. The benefits must be given in accordance with generally accepted ethical business practices. For example, it is acceptable to take a client to dinner but it is not acceptable to give a client cash.

Employees may accept modest gifts, entertainment or other benefits from persons doing or seeking to do business with the Company provided the benefits are given in accordance with generally accepted business practices and provided that such gifts are reported in writing to the CEO.

For example, a pair of tickets to a hockey game may be accepted from a supplier. However, it is not appropriate to accept a trip from a supplier, unless there is a specific business purpose and the trip has been pre-approved by the CEO.

### **Record-Keeping**

The Company shall keep and maintain books and records that, in reasonable detail, accurately and fairly reflect all payments made to or by Representatives. Recording such payments which would conceal their true nature or is contrary to applicable accounting standards is not permitted.

### **Compliance**

This policy has or will be made available to all our Representatives and will be posted on the Company's website, and require compliance from Representatives as well as contractors and visitors while within our facility and when performing work for us. A copy of the current version of this policy may also be obtained at any time from the Company's Corporate Secretary.

Each Representative will agree to abide by this policy and will be required to certify in writing their compliance with such laws from time to time, in the form approved by the board of directors. The Company will retain these certifications in the records of the Company and may disclose such certifications to the appropriate authorities if and when the Company determines it necessary or desirable as a matter of compliance with applicable laws.

Any Representatives that is unwilling or unable to provide the certification may be subject to discipline up to and including termination.

Any questions regarding this policy should be directed to the CEO.

### **How to raise a concern**

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with the Chairperson of the Audit Committee. Concerns should be reported by following the procedure set out in our Whistleblowing Policy. A copy of our Whistleblowing Policy can be found at Schedule 1.

**Adopted by the Board of Directors of Cornish Metals Inc. on June 20, 2017.**

## **Schedule 1 – Whistleblowing Policy**

### **Scope of this Policy**

The primary function of the Audit Committee (the “**Audit Committee**”) of the board of directors of the Company (the “**Board**”) is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The integrity of the financial information of the Company is of paramount importance to the Audit Committee and to the Board.

This policy outlines the procedure which the Audit Committee is establishing for the confidential, anonymous submission by employees of the Company of any concerns which employees may have regarding questionable accounting or auditing matters.

All employees are encouraged to submit all good faith concerns and complaints in respect of the accuracy and integrity of the Company's accounting, auditing and financial reporting, without fear of retaliation of any kind. If employees have any concerns about accounting, audit, internal controls or financial reporting matters which they consider to be questionable, incorrect, misleading or fraudulent, employees are urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of their complaint or concern.

Employees may report the matter to their supervisor or, alternatively, to the Audit Committee Chairperson.

### **Procedure for Reporting Concerns**

Employees should describe their concern in writing and should include sufficient information to allow the Audit Committee to understand and review their concern. If employees wish to remain anonymous, their written communication should clearly indicate this wish for anonymity. All concerns should be forwarded to the Chairperson of the Audit Committee in a sealed envelope labelled as follows:

*“To be opened by the Audit Committee only.”*

If employees wish to discuss any matter with the Audit Committee, they should indicate this in their submission. In order to facilitate such a discussion, employees may include a telephone number at which they can be contacted. Any such envelopes received by the Company will be forwarded promptly and unopened to the Chairperson of the Audit Committee.

### **Handling of Concerns Raised**

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

### **Investigations**

The Audit Committee has the authority to:

- (a) conduct any investigation which it considers appropriate, and has direct access to the external auditor of the Company, as well as officers and employees of the Company; and

- (b) retain, at the Company's expense, special legal, accounting or such other advisors, consultants or experts it deems necessary in the performance of its duties.

In conducting any investigation, the Audit Committee shall use reasonable efforts to protect employees' anonymity.

### **Records**

The Audit Committee will retain as part of its records, any complaints or concerns for a period of no less than **[seven years]**. The Audit Committee will keep a written record of all such reports or inquiries and make quarterly reports on any ongoing investigation which will include steps taken to satisfactorily address each complaint.

### **Employee Protection**

All employees are assured that no retaliation of any kind is permitted against them for complaints or concerns made in good faith. No employee will be adversely affected because the employee refuses to carry out a directive which, in fact, constitutes corporate fraud, or is a violation of federal or provincial law.

### **Questions about this Policy**

If you have any questions, contact the CEO or Chairperson of the Audit Committee.

**Adopted by the Board of Directors of Cornish Metals Inc. on June 20, 2017.**

**ACKNOWLEDGEMENT**

I acknowledge that I have read and considered the Cornish Metals Inc. Whistleblowing Policy and agree to conduct myself in accordance with the Policy.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Print Name