



(Subsidiaries and Affiliates)

**Safety, Health, Environment
and Community (SHEC)
Manual for Employees, direct
and contract; Officers and Managers, direct and
through management contracts and; Directors:
Orientation for Employees**

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Introduction

C3 Metals Inc. and its subsidiaries and affiliates (herein referred to as “C3 Metals” or the “Company”) is committed to having your employment or engagement with C3 Metals to be a satisfying and rewarding experience. To facilitate this, we have prepared this manual as a guideline to your activities during your engagement with C3 Metals and to present our expectations of you. In addition, please refer to the appendices for further guidelines. Please note that although some sections of this manual are addressed mainly to employees, most clauses are applicable in part or total to officers, managers and directors as well. If you have any questions regarding the intent or application of any of the items, you are welcome to raise your questions with C3 Metals’ senior officers or your supervisor.

1 Administration

This section presents guidelines and policies of an administrative nature which will answer questions regarding routine employment issues affecting items such as pay, hours of work and out of pocket expenses. For further information, the laws of the jurisdiction of employment as appended will apply. Where the laws of the jurisdiction conflict with any policies set out in this manual, the laws of the jurisdiction will predominate.

1.1 Timesheets

C3 Metals uses timesheets as input for payroll and to allocate labor expenses to the projects. All employees will be required to submit timesheets within one business day of the end of the previous pay period in order to facilitate payment to employees.

1.2 Hours of Work

C3 Metals employees work an 8-hour day in the field or in the office unless mutually agreed otherwise to work overtime. Generally, hours of work are 8:00 AM to 4:00 PM or 9:00 AM to 5:00 PM, not including time taken for lunch or coffee breaks. If your regular place of work is in the field, we expect that your eight hours of work are on site, which does not include travel time to the site. To accomplish this, it likely will be necessary for field crews to leave for the field sometime earlier each day.

Unless agreed otherwise between C3 Metals and the employee, daily overtime pay is time-and-a-half after eight hours worked in a day and double-time after 12 hours worked in a day. Accordingly, your time will be tracked; keeping all other employee guidelines in mind and suitable compensation will be awarded for extra time worked. Regardless of overtime, employees will not be required to work on Sundays and this day will be considered a day off when employees can attend to personal needs.

Since the nature of our work is variable and we are professionals, the hours of work may vary and professional staff may adjust their work hours in consultation with their supervisor.

1.3 Extra Days (Banked Time)

While some seasonal employees may have different employment conditions, C3 Metals employees generally work a five-day week, particularly if they work in an office environment. However, due to the nature of exploration work, work schedules may vary from time to time, and we expect

schedules will be adjusted by mutual consent between the staff and their supervisors. Any days worked in excess of the normal schedule will be banked at straight time and may be taken as days off as arranged with your supervisor. These banked days are not intended to be banked indefinitely and will be reduced to zero by November 31 of each year. Banked time may not be carried forward past December 31. The responsibility rests with the employee to identify appropriate times to use the banked time and to arrange time off with their supervisor. If, due to work requirements or other, you have not been able to arrange your use of banked time to reduce your total to zero before December 31, you will be paid the banked time at straight time.

Any unused vacation time from prior years must be used prior to using any currently accrued banked time for days off.

1.3.1 Leaves of Absence

1.3.1.1 Pregnancy Leave

Pregnant employees have the right to take up to 17 weeks of unpaid time off work.

A pregnant employee is entitled to pregnancy leave whether she is a full-time, part-time, permanent or contract employee, provided that she was hired at least 13 weeks before the baby's expected birth date (the "due date").

Employees must provide C3 Metals with two weeks' prior written notice before beginning a pregnancy leave. The notice letter must include the starting date for the pregnancy leave. The starting date cannot be earlier than 17 weeks before the due date or the date on which the pregnant employee gives birth.

If the date the leave starts is to be changed by the employee, the Company must be given a new written notice at least *two weeks* before the day the change will happen. If the employee wants to change the date her pregnancy leave will end, the Company must be given written notice at least *four weeks* before the change will happen.

1.3.1.2 Parental Leave

Parental leave is a right that new parents have to take unpaid time off work when a baby or child is born or first comes into their care. Birth mothers who take pregnancy leave are entitled to up to 35 weeks parental leave. Birth mothers who don't take pregnancy leave and all other new parents are entitled to up to 37 weeks' parental leave.

A "parent" includes:

- a birth parent
- an adopting parent - whether or not the adoption has been legally finalized
- a person who is in a relationship of some permanence with a parent of a child and who plans on treating the child as his or her own

To be eligible for parental leave, an employee has to be hired at least 13 weeks before the date the leave is going to start. Once an employee has started parental leave, he or she must take it all at

one time and cannot split it up. An employee cannot use up part of the leave, return to work for the employer from which he or she took the leave, and then go back on parental leave for the unused portion.

A birth mother who took a pregnancy leave must usually begin her parental leave right after the pregnancy leave ends. All other parents must begin their parental leave no later than 52 weeks after:

- the date their baby was born, or
- the date their child first came into their care.

An employee wishing to take parental leave or change the start date of the parental leave shall give the Company written notice at least *two weeks* before the day the leave is to begin. If the employee wants to change the date he or she will return to work, the Company must be given a written notice at least *four weeks* before the change is to happen. If the employee doesn't specify a return date, the employer may assume that the employee will take the full period he or she is entitled to.

1.3.1.3 Personal Emergency Leave

Personal emergency leave means unpaid, job-protected leave of up to 10 days each year which may be taken in the case of your personal illness, injury or medical emergency, or in the case of a death, illness, injury, medical emergency or urgent matter relating to any of the following relatives:

- A spouse, which includes both married and unmarried couples, of the same sex or the opposite sex;
- A parent, step-parent, foster parent, child, step-child, foster child, grandparent, step-grandparent, grandchild or step-grandchild of the employee or the employee's spouse;
- The spouse of an employee's child;
- A brother or sister of the employee;
- A relative of the employee who is dependent on the employee for care or assistance.

An employee must inform the Company before starting the leave that he or she will be taking a personal emergency leave of absence. If an employee has to begin a personal emergency leave before notifying the employer, the employee must inform the employer as soon as possible. Notice does not have to be given in writing. Oral notice is sufficient.

In the case of death of a relative, the first 2 days of the personal emergency leave will be with full pay.

1.4 Expenses

From time to time during the course of your employment, you may incur expenses on the Company's behalf. Generally these expenses will be meals when away from home on Company business, the use of your personal vehicle for Company business or small purchases for your project work. C3 Metals will reimburse you for reasonable out-of-pocket expenses, including tips, according to the following guidelines.

1.4.1 Meals

Occasionally, you may be required to travel on Company business away from your residence. The Company will reimburse reasonable hotel and meal out of pocket expenses. Receipts (not just a

credit card receipt) are to be submitted with an expense claim for reimbursement. As a guideline, meals should be similar to what you would normally eat at home. The meal and cost, including tips, should be modest. If you choose to eat fast food for a few days, a nicer, more expensive meal the following day is reasonable.

1.4.2 Alcoholic Beverages

Alcoholic beverages may be included with the meal, within reason. It is also permissible to be reimbursed for beverages purchased for business associates, again, within reason. Reimbursement for beverages for entertainment with other employees is generally not acceptable. On occasion, this may be permissible with approval from your supervisor. Drinking to intoxication on Company business or expense account is forbidden.

Company vehicles must **never** be operated while under the influence of alcohol, whether for personal or business entertainment. Employees are reminded that drinking and driving can result in potentially fatal consequences and criminal penalties. Caution is always urged and the use of taxis or designated drivers is recommended. Employees will be reimbursed for transportation expenses incurred for business entertainment purposes.

1.4.3 Use of Personal Vehicle

If a Company vehicle is not available, you may be requested by your supervisor to use your personal vehicle for Company Business. In this case, you will be required to report on your expense claim the number of kilometers of Company use and you will be reimbursed at a rate of \$0.45 per kilometer. This rate is all-inclusive and you remain responsible for fuel, maintenance and repairs. Your supervisor must approve the use of your personal vehicle for Company business, in advance.

1.4.4 General Expenses

Whereas C3 Metals employs a Purchase Order (P.O.) system for purchases, circumstances may arise where it is more efficient to purchase small items that you require to conduct your job than it would be to wait for the issue of a P.O. If you make a purchase on the Company's behalf, submit the receipt, which must indicate the items purchased, for reimbursement with an expense claim to your supervisor for approval. It is expected that such occurrences would be infrequent.

1.5 Personal Development Appraisals

Personal development appraisals (PDA) provide an opportunity for the employee and his/her supervisor to discuss the employee's performance on the job, to recognize successes and to identify areas for development and improvement. The performance appraisal is an integral tool for enhancing the employee's career in the short and long term. Employees will receive a personal development appraisal annually and perhaps more often as determined by the Company.

1.6 Driving

The nature of our business, i.e. exploring for mineral deposits, often in undeveloped areas adjacent to urban centers, results in our employees spending a considerable amount of their time driving to and from our project sites. Driving warrants special attention from both safety and conduct perspectives. C3 Metals provides safe, well-maintained and reliable vehicles. Employees are required to treat the vehicles with respect, ensure that routine maintenance is conducted and to ensure that defects are reported and repaired without delay. Employees must fill out a vehicle

circle check form before using any vehicle (i.e. truck, ATV, snowmobile or motorized bike). Employees must never operate a vehicle they believe to be unsafe.

Employees must recognize that they are representatives of the Company and their **driving manner** and **appearance of the vehicle** present the image of C3 Metals to the public. C3 Metals requires that employees operate Company vehicles in accordance with the law, drive Company vehicles in a safe and considerate manner and regularly clean the vehicles. Violation of laws and reckless operation of Company vehicles is unsafe, discredits the Company image and may result in disciplinary action up to and including dismissal. Additional requirements pertaining to operation of vehicles is presented in the Safety Manual.

1.7 Use of Company Vehicles

Company vehicles are intended for use on Company business. With your supervisor's approval, it is permissible to take a Company vehicle home at the end of your workday if you are traveling directly to a site the following morning and it is more efficient to do so from your home than from the office. Use of Company vehicles for non-Company business is only allowed with permission from your supervisor. Employees must ensure that circle check forms are filled out before using the vehicle and on a daily basis. Smoking is not permitted in Company vehicles or rental vehicles.

1.8 Use of Company Computers and Telecommunications Devices

Company computers and other telecommunication devices are for business use. While a limited amount of personal use is permitted, for example local telephone calls when it is necessary to make them during business hours. Excessive use, such that it interferes with their business use is prohibited. Any non-business long distance calls are the employee's own responsibility. Accessing or storing offensive material such as pornography or discriminatory or demeaning hate propaganda using Company equipment is strictly forbidden and may result in immediate dismissal. Employees are reminded that the Company's computers are for work-related activity. While the Company permits a limited amount of personal use, provided it does not interfere with work, employees should remember that any material on their computers or e-mail may be viewed by others.

1.9 Discipline Procedure

Compliance with C3 Metals policies and all applicable regulations and legislation is necessary to maintain a safe and healthy work environment and a positive corporate image. Disciplinary measures may be required to prevent accidents and discreditable conduct.

Acts of gross negligence that cause or have the potential to cause a serious injury, fatality or major property damage may result in the immediate termination of the employee. Each incident will be reviewed under its own merits. In the event that termination of an employee is considered, the employee's supervisor and senior management will conduct a review of the incident and reach an agreement as to the degree of discipline to be taken.

The following guidelines will be used to deal with other less serious infractions:

- **First Offence**
A verbal warning, with the correct conduct explained to the person involved.

- **Second Offence**
A written warning, outlining the action that will result upon a third infraction.
- **Third Offence**
Execution of the written warning.

2 Employee Business Conduct

Our commitment to ethical behavior in all aspects of our business dealings is a point of pride at C3 Metals. The following sections provide guidelines of behavior for dealing with each other, our business partners, contractors, suppliers, government authorities and the general public. Complying with these guidelines is important because our reputation is the foundation upon which we interact with these stakeholder groups and individuals.

We are committed to being a good corporate citizen. It is the way we do business. As a representative of C3 Metals, you are expected to be courteous, considerate and responsive. Your conduct is expected to meet or surpass the guidelines set out in this document.

Any breach of these guidelines is serious and can result in disciplinary action up to and including termination of employment. However, no set of guidelines can be all-encompassing, and that is why your good judgment is necessary to ensure that high ethical standards are met. If you have doubts about a course of action or manner of behavior, and if these guidelines do not clarify the issue for you, seek advice from your supervisor or the next level of management. You should also inform your supervisor if you are aware that someone at C3 Metals is in breach of these guidelines.

These guidelines apply without exception to all employees of C3 Metals. Very simply, you are expected to perform your job honestly and in the Company's best interests by following these basic guidelines:

1. Act in ways that meet or exceed applicable laws and best practice standards wherever C3 Metals does business.
2. Do not put yourself or C3 Metals in a conflict of interest.
3. Conduct yourself honestly, professionally and with integrity.
4. Keep communications and information accurate, confidential and secure.
5. Treat everyone fairly and equitably.
6. Report any suspicions of problems, ethical concerns or irregularities to management.

2.1 Follow the Law Wherever C3 Metals Does Business

The laws in each country where we do business apply to our business, including leasing, advertising, staffing, political activity, donations, workplace health and safety, environmental protection and confidentiality. C3 Metals is committed to operating within the framework (both the substance and the spirit) of these laws and regulations. Federal, provincial/state and municipal legal standards should be the *minimum* standard.

You are expected to take reasonable steps to familiarize yourself with the laws and regulations affecting your work and ensure that your business conduct complies with those laws. While we strive to achieve challenging goals and objectives, we will condemn activities that are accomplished by breaking the law, or through unethical business dealings. Your actions should withstand close scrutiny; illegal conduct leaves both you and the Company open to possible prosecution, professional sanctions and other disciplinary action.

2.2 Respect Safety, Health and Environment

Safety, health and environmental protection are of the utmost importance. C3 Metals is committed to providing a safe and healthy work environment for our employees, contractors and others that may be affected by our work activities. C3 Metals will at a minimum follow the safety and health guidelines of Canada where possible. We respect the right of our communities to be informed about the risks that they may incur from our business activities and their right not to be exposed to undue risks. See also Appendix B.

C3 Metals management is accountable for establishing progressive programs and setting standards and goals that support continuous improvement in safety, health and environmental performance. All employees are responsible for following established work procedures. All employees are expected to understand their responsibilities, act in accordance with Company safety, health and environmental requirements and accept accountability for their actions.

Achieving business responsibilities is naturally a priority but any compromising of safety, health and environmental protection requirements is absolutely unacceptable. To knowingly contravene any safety, health or environmental law, established practice or Company standard is strictly prohibited.

Ensuring that safety, health and environmental requirements are respected is a Company wide goal. C3 Metals employees are expected to report any breach of any of the above policy to the nearest available supervisor immediately upon discovery of such a breach. All employees are expected to act in accordance with C3 Metals' Safety, Health, Environment and Community manual whenever a safety, health or environmental event occurs which poses an ongoing or immediate risk to life, property or the environment.

3 Do Not Put Yourself or C3 Metals in a Conflict of Interest

It is important that you do not enter into situations in which your individual business interests conflict, or might — *in reality or appearance* — conflict with your duties to C3 Metals. You should avoid acquiring any interest in, or participating in, any outside activities which would prevent you from performing your duties fully and properly or which would affect your judgment to act in C3 Metals' best interest.

You are expected to place C3 Metals' business interests ahead of your own personal interest and avoid situations where personal business may conflict with the Company's.

Outlined below are examples of the kind of situation that may lead to a conflict of interest:

- Your personal business interests and your obligations as a C3 Metals employee are in conflict.
- The interests of C3 Metals and our obligations to a business partner are in conflict.
- Our obligations to one business partner versus our obligations to another business partner conflict.
- Expectations or actions of a business partner or contractor relating to public health and safety and environmental protection do not meet our standards.

3.1 Gifts

Offering or Accepting Gifts

Although the exchange of common courtesies (such as gifts of nominal value) is recognized as an acceptable business practice, there is a danger in offering or accepting gratuities, facilitation payments or favours which could be mistaken for improper payment or, in extreme cases, could be construed as a bribe.

You may not use your position for improper gain. Do not under any circumstances accept or offer gifts of cash, bonds, negotiable securities, personal loans, airline tickets, use of a vacation property or lavish entertainment. Conversely, providing gifts to officials, in particular government officials must be scrupulously legal and appropriate. It is inappropriate to provide any gifts to officials other than token gestures of normal hospitality.

Conditions for Accepting Gifts

- If you believe that the donor is not trying to obligate you, or improperly influence a decision.
- It is “normal business practice” for the purposes of courtesy and good business relations.
- Accepting the gift is legal and consistent with generally accepted ethical standards.
- The gift is one that unrelated individuals or members of the public would conclude does not appear to influence personal judgment.

Acceptable Gifts

- Honorific, ceremonial or holiday gifts such as fruit baskets or candy. However, if accepted, they should be shared with staff members or donated to a food bank or charity.
- Inexpensive advertising or promotional materials (e.g. give-always, such as key chains or pens).
- Inexpensive awards that recognize service and accomplishment in civic, charitable, educational or religious organizations.
- Reimbursement for expenses for Company-related speaking engagements or written presentations.

Gifts of Considerable Value

Where it would be extraordinarily impolite, culturally unacceptable or otherwise inappropriate to refuse a gift of obvious value, you may accept it on behalf of C3 Metals. However, as soon as possible, you should report the gift to your supervisor to determine how to deal with it. Such gifts may not be taken for your home use or enjoyment.

Conditions of Offering Gifts

Offering inducements or bribes is never acceptable. Payments to local officials, preferably through their employing agency, which facilitate necessary work that otherwise might not be handled, in whole or in part, in a timely or appropriate fashion, should be discussed and vetted with a senior manager.

You may provide small gifts or favours when this is in line with accepted business practice and does not produce any real or perceived conflict of interest. You must not offer (directly or indirectly) benefits or rewards that are in violation of any laws or regulations.

When entertaining business contacts, limit this entertainment to what is reasonable, appropriate and necessary to facilitate business discussions.

A final thought on offering gifts. Ask yourself if public knowledge of the gift — including the reason behind it — would embarrass you or C3 Metals. If you are still unsure what is considered an appropriate gift to give or receive, discuss it with your supervisor. When in doubt, err on the side of caution.

3.2 Company Resources

While the assets of our Company ultimately belong to the shareholders and are intended for recognized C3 Metals business activities, the Company permits reasonable use of email, facsimile and telephone service for personal use. Vehicles and tools may be used by employees for personal use only with the permission, in advance, of senior management.

3.3 Outside Business Activities and Interests

You should not deprive C3 Metals of your best efforts on the job because of excessive outside demands on your time, energy or attention. However, if you intend to begin or continue an outside business interest, advise your supervisor immediately. He or she will decide whether this will conflict with your obligations as an employee of C3 Metals. Do not, without prior approval, conduct non-Company business on Company time or use C3 Metals equipment or facilities to conduct outside interests or business.

3.4 Outside Employment

You may hold employment outside of C3 Metals; however, before making a commitment to a job outside Company working hours, discuss this with your supervisor to be sure it will not create a conflict.

3.5 Outside Activities – Charitable, Community, Civic and Religious

C3 Metals supports employees' voluntary participation in charitable, religious educational, community and civic activities. However, these activities should not interfere with job performance or present a conflict of interest. As much as possible, these activities should be limited to non-business hours. Please discuss with your supervisor your intentions before you run for an elected office or accept such an appointment to ensure there will not be a conflict.

Your charitable and community activities are personal. No charitable donations may be made in C3 Metals' name without prior approval from management. Similarly, you may make no political donations in the Company's name. You should direct any political donation requests to the Chief Financial Officer (CFO).

You may serve on community, public or civic bodies, such as a municipal council or school board. However, before you run for office or accept an appointment, discuss your intention with your supervisor to make sure there will not be a conflict.

3.6 Outside Financial Interests

Neither you nor members of your immediate family or household should have a material financial interest in, or with, a supplier to C3 Metals if holding such an interest puts you in a conflict of interest with the Company. Employees are prohibited from approving or authorizing purchases of any goods or services by C3 Metals from companies or businesses that are owned in whole or in any substantial part by their relatives or spouses. The prior approval of our business administrator or CFO is required in any such situation.

4 Dealing with Suppliers, Competitors and Others Outside C3 Metals Must be Ethical and Fair

As stated previously, our success depends on the honesty and integrity of our employees. Your conduct, both at work and outside of work, has a direct effect on how we are perceived as a Company, especially by our business partners and other stakeholders. C3 Metals will not tolerate any involvement in criminal activities, nor violent, threatening or abusive behavior with any persons you deal with as a C3 Metals employee. We have an obligation to provide a safe and positive environment for our employees, business partners and suppliers. Fairness means not only in our eyes, but also in the eyes of these and other important stakeholders. See also Appendix B.

4.1 Suppliers and Contractors

In our contacts with suppliers of goods, services and facilities, you should use the same level of courtesy and consideration as you hope to receive from them.

Company policy is to conduct business on the basis of merit and competitiveness without favouritism or discrimination. The integrity of each transaction must be unquestionable. You must avoid unfair or inappropriate business practices and you must not enter into any agreements with suppliers or contractors where you might achieve personal gain.

Suppliers should be dealt with fairly and at arm's length.

4.2 Handling Money

If you have access to Company funds, you need to be careful that you handle these funds in accordance with standards established to help the Company protect and account for its money. These procedures are designed to prevent carelessness, fraud or dishonesty or even the appearance of these. If you see any evidence of an infraction, you are obligated to report it immediately to your supervisor for investigation.

4.3 Summary

In summary, we are committed to protect C3 Metals' reputation as a fair and ethical Company. Any breaches of these guidelines may result in immediate discipline, up to and including dismissal. If appropriate, we will prosecute individuals in breach of these guidelines.

5 Keep Company Communications and Information Accurate, Confidential and Secure

5.1 Confidentiality

C3 Metals and its employees are regularly entrusted with confidential information. It is up to you to keep this information secure and in confidence by not disclosing or providing access to confidential information to anyone who does not have a legitimate need for such information in the normal course of business or as required by law. Take every precaution to protect the confidentiality and security of Company, employee, business partner and other information and transactions. For employees, this includes personal information such as salaries, birth dates, home phone numbers and addresses.

A copy of C3 Metals' Disclosure Policy is included as Appendix C.

Please read this policy very carefully.

In addition to the Company's general prohibitions of an employee's misuse of material non-public information, the *Securities Act of various jurisdictions within which C3 Metals operates*:

- Prohibit employees from purchasing or selling securities of the Company with knowledge of a material change or material fact that has not been publicly disclosed;
- Prohibit the employees from informing, other than in the necessary course of business, other persons or companies of a material fact or material change before such information has generally been disclosed; and
- Imposes civil liability on employees for the commission of the prohibited activities such as those described previously.

5.2 Generic Confidentiality Guidelines

- Control access to confidential information.
- Use only secure media to transmit confidential information (e.g. cellular telephones are not considered secure).
- Destroy or dispose of confidential information using appropriate measures (e.g. shredders).

Do not provide non-public information to persons outside C3 Metals, including family or household members or associates, or other employees who do not require the information for their work. When personal information is collected from an individual, the object of the file and purposes for which the personal information is being collected should be communicated to the individual concerned. Ensure that the preparation, maintenance, storage and disclosure of all confidential information are in accordance with those standards to ensure the privacy of others.

Lock up confidential information within your area of responsibility.

Do not release any information that may violate the privacy rights of others.

5.3 Removing Confidential Information

Under no circumstances should you remove any confidential information from the premises without the express consent of your supervisor or except as required by the terms of your employment.

5.4 Leaving the Company

You must not take any of the Company's proprietary information or the Company's resources when you leave the Company, whether or not you may be going to work for a competitor. When leaving the employment of C3 Metals, you must return all confidential information in any form and **all copies** that are, or may have been, in your possession.

As a general principle of employment law, former employees of C3 Metals continue to owe a fiduciary obligation to the Company even after the employment relationship has ended.

Examples of this *post-employment* fiduciary obligation that you owe to C3 Metals once your employment with C3 Metals has terminated include (but are not limited to):

- Prohibition from publicly disclosing confidential information acquired by virtue of employment with C3 Metals;
- Prohibition from use of confidential information acquired by virtue of employment with C3 Metals, including use from which you could derive profit;
- Prohibition from making public statements that could reasonably be expected to be to the detriment of the Company;
- Prohibition from soliciting C3 Metals employees to become employed outside of the Company; and
- Prohibition from otherwise interfering with the relationships between C3 Metals and its suppliers, customers, and/or employees.

5.5 Employment Contract

You are encouraged to regularly review the confidentiality clause contained in your employment contract.

5.6 Personal or Business Gain

Do not use non-public, confidential information gained from Company business for any business or personal advantage or transaction before that information becomes public, while you are employed by C3 Metals or after you terminate your employment with the Company.

5.7 Integrity of Transactions and Records

Accurate and reliable records are necessary to meet our legal and financial obligations and to manage our affairs. Because of this, our records must reflect all business transactions in an accurate and timely manner. You must not, under any circumstances, knowingly make or allow false or misleading transactions, entries or data to any C3 Metals account, record or document or to any Company model or system. This includes claims for reimbursement of expense account expenditures.

Undisclosed or unrecorded assets, liabilities and/or revenues are not permissible. If you are responsible for accounting and record keeping functions, you are expected to be alert and enforce this policy.

5.8 C3 Metals Property and Intellectual Property Rights

You may access and use records, computer files and programs of C3 Metals including personnel files, financial statements and other business information only for their intended, management-approved purposes.

Internally created software and all information, techniques, methodologies and the like developed at C3 Metals are considered “Trade Secrets” and are the intellectual property of C3 Metals. They represent a substantial investment of Company resources for which employees have been or will be, both compensated and recognized.

The ownership and copyrights to software and information developed internally belongs to C3 Metals. Therefore, you must not divulge what is considered intellectual property to others and/or use internally developed software, information, etc. outside of your employment with C3 Metals. This applies to current employees as well as those who leave the Company.

5.9 Social Networking Policy

Directors, officers and employees of and service providers to the Corporation are prohibited from participating in Internet chat rooms, newsgroup discussions or social media networks (e.g. Facebook, Twitter, blogs, YouTube, Flickr, etc.) on matters pertaining to the Corporation’s activities or its securities. Employees who encounter content pertaining to the Corporation should advise the Chairman, the President or the CFO immediately, so the discussion can be monitored.

6 Treat Everyone Fairly and With Respect

It is essential that your relationships with other employees and our external contacts be fair and business-like. In day-to-day business, fairness should be interpreted not only in our eyes, but also in those of other important stakeholders. C3 Metals is committed to supporting the spirit and intent

of the Human Rights Acts and anti-discrimination laws that apply in the jurisdictions in which we operate. See also Appendix B.

6.1 Harassment and Discrimination

Harassment, including sexual harassment, is a form of discrimination that is prohibited. Harassment means any conduct, comment, gesture, or contact related to the prohibited grounds of discrimination:

- That is likely to cause offence or humiliation or unfair treatment to any employee or business contact; or
- That might reasonably be perceived as placing a “discriminatory” condition of services provided, employment or any employment opportunities, such as training or promotions.

We will not display, tolerate or condone discriminatory behavior on the basis of race, religion, ethnicity, sexual orientation, or other grounds as noted in human rights legislation. Every employee is entitled to harassment-free employment. Every contractor and business associate is entitled to harassment-free relations with C3 Metals. We will make every effort to ensure that neither employees nor business associates nor contractors are subjected to harassment.

6.2 Workplace Violence and Harassment Policy

The management of C3 Metals recognizes the potential for workplace violence and harassment and is committed to working with its employees to provide a safe work environment in which all individuals are treated with respect and dignity.

Workplace violence and harassment will not be tolerated from any person on company premises, or while an employee is conducting company business at other locations. Any act of violence or harassment committed by or against any employee is unacceptable and will be subject to C3 Metals’ disciplinary policy and/or legal action.

For the purpose of this policy, violence and harassment includes but is not limited to:

The use of, or attempt to use, physical force by a person against an employee, in the workplace, that causes or could cause physical injury. For example: hitting, shoving, pushing, kicking or inappropriate sexual advances or comments. A statement or behaviour that it is reasonable for a worker to interpret as a threat to exercise physical force against the worker, in a workplace, that could cause physical injury to the worker. For example: threatening language, destroying property, or throwing objects. Engaging in a course of annoying comments or conduct against a worker in a workplace, which are known or ought reasonably to be known to be unwelcome, is not to be tolerated. For example: engaging in verbal abuse, sexual innuendo, spreading malicious rumours, and hate inducement or belittling a worker’s opinions.

C3 Metals will take whatever steps are appropriate to protect our employees from the potential risks associated with workplace violence and harassment. There is a workplace harassment and violence program that implements this policy. It includes measure and procedures to protect workers from workplace violence, a means of summoning immediate assistance and a process for workers to report incidents, or raise concerns.

If a situation has turned violent or if there is a threat of violence occurring, the employee should call 911. If you have been subject to workplace harassment and/or violence, please immediately contact: Stephen Hughes Phone: +1 (888) 416-6560, E-mail: shughes@C3Metals.com (in Canada) to report the incident. Management will investigate and deal with all incidents and complaints of workplace violence and harassment in a fair and timely manner.

If you believe that workplace violence is likely to endanger yourself, you are permitted to refuse to work. You are required to remain in a safe place that is as near as reasonably possible to your workstation and be available for the purposes of an investigation during your normal business hours.

Harassment may also constitute a form of discrimination as set out in the code of various jurisdictions. Nothing in this Policy prevents or discourages you from filing an application with the Human Rights Tribunal on a matter related to Human Rights Code in any jurisdiction. A worker also retains the right to exercise any other legal avenues that may be available.

Supervisors must ensure that all measures and procedures set out in this policy are carried out in the workplace.

Workers are expected to comply with this policy and to report any concerns or complaints to the contact person identified above or their supervisor.

This policy prohibits reprisals against employees, acting in good faith, who report incidents of workplace violence or harassment or who are involved in an investigation. Management will take all reasonable and practical measures to prevent reprisals, threats of reprisal, or further violence or harassment.

With everyone's cooperation, C3 Metals will continue to be a safe and healthy workplace.

6.3 Workplace Violence and Harassment Program

MEASURES AND PROCEDURES FOR WORKERS TO SUMMON IMMEDIATE ASSISTANCE AND REPORT INCIDENTS OF VIOLENCE OR HARASSMENT THAT HAVE OCCURRED OR ARE LIKELY TO OCCUR.

- **Case of Emergency.** Contact 911 in emergency situations. If a situation has turned violent or if there is a threat of violence occurring, the employee should call the police.
- **Contact C3 Metals for Assistance.** Employees should contact Stephen Hughes at +1 (888) 416-6560 and/or your supervisor for immediate assistance if violence or harassment has occurred or is likely to occur.
- **Reporting Incidents.** Workplace violence and harassment incidents should be reported in writing to **Name: Stephen Hughes Address: 365 Bay Street, Suite 400, Toronto, Ontario M5H 2V1 Phone: +1 (888) 416-6560, E-mail: shughes@C3Metals.com (in Canada)** as soon as reasonably possible following the incident.

- **Contacting Government.** Most governments encourage internal resolution of complaints, but if concerns remain, an employee can contact a government office, which handles workplace violence and harassment, for example in B.C. the nearest office of WorkSafe B.C., which can be found at: www.worksafebc.com.

MEASURES AND PROCEDURES FOR THE CORPORATION TO INVESTIGATE AND DEAL WITH INCIDENTS AND COMPLAINTS OF WORKPLACE VIOLENCE AND HARASSMENT

- C3 Metals undertakes to investigate forthwith any and all alleged incidents of workplace violence and harassment and to take every reasonable precaution in the circumstances to protect an employee from risk of physical injury if it becomes aware, or ought reasonably to be aware, that domestic violence may occur in the workplace.
- Within a period of 3 business days, C3 Metals undertakes to summon a special committee of 3 members consisting of the supervisor, the CEO and Vice President of Exploration (the “Special Committee”) to evaluate the incident and propose a disciplinary or other appropriate measure in order to reprimand and eliminate the potential for any future incidents of workplace violence and/or harassment.
- The employees involved, and subjected to, the alleged workplace violence and harassment may be asked to provide a written account of the incident, including the time and circumstances under which the event occurred.
- In cases where workplace violence is likely to endanger an employee of C3 Metals, the employee is permitted to refuse to work. The employee is required to remain in a safe place that is as near as reasonably possible to their workstation and be available for the purposes of an investigation during normal business hours.
- Personal information with respect to the employee subject to workplace violence and/or harassment may be disclosed only to the extent necessary to protect the worker from physical injury.

MEASURES AND PROCEDURES TO CONTROL THE RISKS OF WORKPLACE VIOLENCE IDENTIFIED IN THE RISK ASSESSMENT

- Employee training on the Workplace Violence and Harassment Policy

7 Report any Problems or Irregularities

If you believe that you may have breached these conduct guidelines or you may have observed or experienced:

1. A serious breach of these guidelines by another employee, or
2. A serious weakness or deficiency in our policies, procedures or controls, which might enable breaches to occur or go undetected,

You have a responsibility to C3 Metals, your fellow employees and yourself to report it immediately to your supervisor or another member of the C3 Metals management team.

On a day-to-day basis, if you are uncertain about an appropriate course of action, seek the advice of your supervisor or a more senior manager as appropriate.

7.1 Whistle Blowing

Protection for Having Reported Problems or Irregularities

1. GENERAL

C3 Metals has a formal Code of Conduct and Ethics (a copy of which is annexed hereto as Appendix A) to confirm its continuing commitment to integrity and ethical behavior. The Policy confirms procedures that allow employees of C3 Metals to confidentially submit concerns regarding questionable ethics or moral issues or breaches of this Company's Safety Health Environment and Community Manual (the "SHEC Manual") to the Ethics Officer or, in his absence, to the Chair of the Audit Committee.

2. WHISTLEBLOWER PROTECTION

C3 Metals shall not take adverse employment action against an employee in retaliation for:

- any reports of wrongdoing made in good faith; or
- providing information or causing information to be provided in an investigation conducted by any regulatory agency or authority, or person with supervisory or similar authority over the employee, regarding any conduct the employee in good faith believes constitutes a violation of applicable securities laws, any rule or regulation of any applicable securities commission or any provision of law relating to fraud against the Corporation's shareholders; or
- participating in an investigation, hearing, court proceeding or other administrative inquiry in connection with a report of wrongdoing.

This policy is intended to encourage reporting of wrongdoing by C3 Metals' employees and presumes that employees will act in good faith and will not make false accusations. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to discipline, which may include termination. Employees who report acts of wrongdoing pursuant to this policy can, and will continue to be held to their general job performance standards. Therefore, an employee against whom legitimate adverse employment actions have been taken or are proposed to be taken by C3 Metals, such as poor job performance or misconduct by the employee, is prohibited from using this policy as a defense against C3 Metals' lawful actions.

3. REPORTING OF WRONGDOING

Employees must report any known or suspected violations of laws, governmental regulations, this Employee Manual, the SHEC Manual or the Company's Code of Business Conduct and Ethics to the Ethics Officer or, in his absence, to the Chair of the Audit Committee as soon as practicable upon becoming aware of the known or suspected violation. If you feel uncomfortable reporting suspected violations to either the Ethics Officer or the Chair of the Audit Committee, you may report such matters to our Outside Counsel. The addresses and telephone numbers of these contact persons are listed below under Reporting Contacts.

Reference is made to C3 Metals' Whistleblower policy that discusses procedures that allow for confidential submissions of concerns without fear of retaliation. We will not allow any retaliation against an employee who acts in good faith in reporting any violation.

4. INVESTIGATIONS

All reported violations will be investigated and an appropriate response, including corrective action and preventative measures, will be made by the Board of Directors in consultation with the person to whom the report was made. All reports will be treated confidentially to every extent possible.

5. CONSEQUENCES OF A VIOLATION

Employees that violate any laws, governmental regulations, SHEC Manual or this Code will face appropriate case-specific disciplinary action, which may include reprimand, suspension without pay, demotion or immediate discharge.

REPORTING CONTACTS

Ethics Officer

Name: Stephen Hughes
Address: 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2
Phone: +1 (888) 416-6560
E-mail: shughes@C3metals.com

Chair of Audit Committee

Name: Kimberly Ann
Address: 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2
Phone: +1 (888) 416-6560
E-mail: kimberly.ann@ka-gold.com

Outside Counsel

Irwin Lowy LLP
Attn: Chris Irwin
Suite 401, 217 Queen Street West,
Toronto ON, M5V 0R2
T: 416-361-2515 | F: 416-361-2519

8 Sign-off Sheet

All employees (direct or contract) and managers (directly or through management contracts) are required to sign that they have read and understood the manual and will abide by its contents.

Name: _____

- I have read the Employee Orientation;
- I understand its contents;
- I have had the opportunity to discuss any questions I have with my supervisor;
- I agree to abide by its contents.

Signature: _____

Date: _____

APPENDIX A

CODE OF CONDUCT AND ETHICS

SECTION 1: About the Code of Conduct and Ethics

1.1 Background

The Code of Conduct and Ethics is based on the principles of corporate social responsibility, and addresses the following five (5) areas: Conflict of Interest; Ethical Business Conduct; Employee and Third Party Concerns; Community and Environmental Concerns; and Accountability and Social Justice. The business case is simple:

- Protect the company, its reputation and its shareholders;
- Ensure good corporate relations, a motivated work force, and satisfied partners; while
- Reducing legal liabilities and maintaining corporate image.

Goals in Addressing Conflict of Interest

- Protecting the company and shareholders.
- Complying with Canadian and foreign laws, regulations and rules.
- Recognizing, avoiding and preventing conflicts of interest.

Goals in Addressing Ethical Business Conduct

- Protect the company's reputation.
- Ensure fair competition.

Goals in Addressing Employee and Third Party Concerns

- Respect for employee rights, as well as others in direct relationship with the corporation, such as partners, consultants and suppliers.

Goals in Addressing Community and Environmental Concerns

- Protection of the environment.
- Respect for communities and individuals in which business activity occurs.

Goals in Addressing Accountability and Social Justice

- To be accountable to the governments, the citizens of the countries where business is conducted, and to the international community.
- Having regard to internationally recognized standards (labour , human rights, the Rule of Law abroad, forced labour, rights of aboriginal peoples, outlawing corrupt practices, promoting equitable employment practices, respect for worker rights, protection of children, etc.).
- Meaningful consultations with the community and partners.

1.2 Commitment

As directors, officers and employees, we are responsible for adhering to and advocating high standards of honest and ethical conduct as outlined in this Code of Conduct and Ethics.

Criteria for Ethical Decision Making:

Before embarking on any course of action, we need to ask ourselves these questions:

- Is the life, health or safety of anyone, or the environment endangered by the action?
- Is it legal?

- Does it feel fair and honest?
- Does it compromise anyone's trust or integrity?
- Could I justify it to the public?

SECTION 2: The Code of Conduct and Ethics

2.1 Our Conduct under the Law

We will comply with all applicable laws, rules and regulations.

2.1.1 Compliance with the Law

- We will comply with all applicable laws, rules and regulations of the jurisdictions in which we do business.
- Each of us is personally responsible for adhering to the standards and restrictions imposed by laws, rules and regulations.
- Unlawful conduct cannot be tolerated, even when the intent is to further enhance company objectives.

2.1.2 Compliance with Internal Policies and Guidelines

- We will comply with internal policies and guidelines.

2.1.3 Familiarization

- We are expected to be sufficiently familiar with any laws that apply to the company's business and our work; to recognize potential breaches and to know when to seek legal advice. Ignorance of the law is not a defence. If in doubt, we will discuss the matter with our supervisor.
- We have the responsibility to ask questions, seek guidance, report suspected violations and express concern regarding compliance with the Code of Conduct and Ethics, including but not limited to questionable accounting, internal accounting control or auditing matters.

2.1.4 Violations

- If we know or believe that any representative of the company has engaged or is engaging in company-related conduct that violates applicable law or the Code of Conduct and Ethics, we will discuss this matter with our supervisor and report such information. Delays may cause damage, complications, and irreversible consequences for the company.

2.1.5 Corporate Watch and Whistleblower Protection

- Please refer to the Corporate Watch and Whistleblower Protection Policy for the guidelines one should follow if he or she is aware of, or honestly believes in, the existence of conduct constituting a violation of an internal policy, law, or regulation.

2.2 Our Conduct within the Company

We must conduct ourselves in the best interests of the company and treat our colleagues with respect.

2.2.1 Respect in the Workplace

Everyone has the right to work in an environment that promotes equal opportunity and prohibits discrimination. Achieving this depends upon mutual respect, co-operation, and understanding.

- We encourage and promote a culture of ethical business conduct.

C3 Metals Inc.
Employee Orientation and Code of Conduct Manual

- We share a common responsibility to exercise the basic principles of respect and dignity in all working relationships.
- We are committed to maintaining a workplace where everyone is treated with respect and dignity.
- We apply a policy of zero tolerance for demeaning, offensive, harassing, or discriminatory behaviour.
- We are responsible for ensuring a safe and secure working environment.

2.2.2 Health and Safety

No job is so important that we cannot take the time to do it safely. Our top priority is the safety of employees, contractors and the public.

- We strive to provide a safe and healthy work environment by following strict safety and health standards and practices that meet or exceed industry standards and applicable government codes, standards and regulations in all jurisdictions in which we do business.
- If we become aware of circumstances that pose a potential safety or health risk relating to our activities, we report the matter to our supervisor or manager.

2.2.3 Corporate Governance

We adhere to corporate governance policies that set forth the company's vision in establishing an environment of good corporate governance.

Corporate Information and Trading

- The company and its personnel are subject to laws and regulations regarding insider trading.
- The company has included provisions for insider trading in its Disclosure Policy. The goal is to prevent improper trading in securities of the company and the improper communication of undisclosed material information regarding the company.
- We are aware of insider trading reporting requirements.

Disclosure

- We are committed to providing timely, factual and accurate disclosure of material information about the company to our shareholders, the financial community and the public, including the company's filings with securities regulatory authorities.
- The company's policy governing public disclosure is set forth in our Disclosure Policy. It is important that we thoroughly understand and comply with this policy.

Conflicts of Interest

- We will avoid conflicts of interest and will act in the best interests of the company.
- We are committed to conducting business affairs in the company's best interests by dealing with government and regulatory bodies, suppliers, contractors, competitors, existing and potential business partners and other employees in a manner that avoids real, perceived or potential conflicts of interest.
- We will not use or attempt to use our position within the company to obtain any improper personal benefit for ourselves, our family, or any other person.
- The company respects our right to take part in financial business and other activities outside their jobs. These activities, however, must be free of conflict with our responsibilities as company personnel.
- We must not serve as directors or officers of, or work as employees or consultants for, a competitor or an actual or potential business partner of the company without approval of the CEO.

Confidentiality

Everyone involved with the company should be well informed about the company's business, the plans for the future, and the successes and challenges along the way.

- In carrying out company business, we often learn confidential information about the company, its employees, partners, clients and suppliers. We will maintain the confidentiality of this information and those aspects of the business that have not yet been shared with shareholders and the general public, except when disclosure is authorized or legally mandated.
- Proprietary information can be used only for the company's legitimate business purposes, and not for our personal benefit.
- We are responsible for knowing what is confidential or proprietary and ensure that we use it only in the performance of duties with the company. If unsure, we consider the information to be confidential until we obtain clarification.

Protection and Proper Use of Assets

Theft, carelessness and waste directly affect our profitability.

- We are responsible for the protection of company assets and their efficient use.
- The company property and assets are for use in official, legitimate company business. Any other use requires the authorization of a supervisor or manager. We will not make use of these resources for our own personal benefit.
- We will ensure that all company property assigned to us is maintained in good condition and is accounted for.
- All reasonable precautions must be taken to protect assets from fraud and theft and to ensure that records are accurate, timely and complete.
- We report any suspicion of fraud or theft to management who must contact the applicable law enforcement agency.
- Any transactions with third parties are to be recorded in writing and properly accounted for.

Corporate Opportunities and Duty of Loyalty

- We owe a duty to the company to advance the company's legitimate interests when the opportunity arises.
- We do not take for ourselves opportunities discovered through the use of corporate property, information or position.
- We do not use our position or the company's name, property, information or good will for personal gain, or for the gain of others.
- All company personnel are prohibited from taking or directing to a third party a business opportunity that arises through the use of corporate property, information or position, unless the company has already been offered and has refused the opportunity, and unless specifically authorized in writing by the company.
- We do not compete with the company.

2.2.4 Financial Controls and Records

The company's accounting and financial records must reflect in an accurate, complete and timely manner, in reasonable detail, every business transaction undertaken by our company, and must conform to applicable legal requirements and the company's system of internal controls.

- All company personnel who have control over the company's assets and transactions are responsible for establishing and/or maintaining a system of internal controls in their area of responsibility designed to (a) prevent unauthorized, unrecorded or inaccurately recorded transactions; and (b) permit the preparation of financial statements according to generally accepted accounting principles.
- Mineral reserves and resources must be defined, calculated and disclosed in a manner consistent with applicable laws and regulations and the company's established procedures.

2.2.5 Accepting or Giving Gifts

- We must avoid activities that adversely affect the company's reputation.

- The types of activities to avoid include, but are not limited to:
 - Accepting or soliciting a gift, favour, or service that is intended to, or might appear to, influence our decision-making or professional conduct.
 - Giving or offering to give any gift, gratuity, favour, entertainment, reward, or any other thing of value that might influence or appear to influence the judgment or conduct of the recipient in the performance of their job. This includes transactions with government personnel, customers and suppliers.
- We will not accept gifts of cash or cash value vouchers from company business associates under any circumstances.
- We may give or receive unsolicited gifts only in cases where they are of nominal value, are customary to the industry, will not violate any laws and will not influence nor appear to influence the recipient's judgment or conduct at their employer's business.

2.2.6 Accounting and Recordkeeping, Internal Accounting Controls and Auditing Matters

All persons involved with the financial control and reporting processes of the company, including bookkeepers, people who approve budgets, estimate accruals, prepare financial statements and reports, must ensure that their involvement complies with procedures as per established company practice.

- (a) **Accounting and Bookkeeping:** You may not maintain funds or assets for any improper purposes or make false or misleading statements in any Company documents, reports or records. No undisclosed or unrecorded accounts may be established using the Company's funds or other assets. All accounting records and the financial reports produced from those records must be kept and presented in accordance with applicable law, must accurately and fairly reflect in reasonable detail the Company's assets, liabilities, revenue and expenses and, where applicable, must be in accordance with generally accepted accounting principles.

Transactions must be supported by accurate and reasonably detailed documentation and recorded in the proper account. Best efforts are to be made to record transactions in the proper accounting time period. To the extent that estimates are necessary, they must be based on your good faith judgment and be supported by appropriate documentation. No payment or the related accounting entry may be approved or made with the intention or understanding that any part of the payment will be used for any purpose other than that described by the document supporting the entry or payment.

- (b) **Internal Accounting Controls:** Internal accounting controls have been established to provide reasonable assurances that (i) transactions are executed in accordance with management authorization, (ii) transactions are properly recorded as needed to permit preparation of financial statements and to maintain accountability for assets, (iii) all assets are recorded on the books of the Company and access to assets is only permitted in accordance with management authorization, and (iv) periodic auditing is done at reasonable intervals and action is taken to resolve discrepancies. You must comply with all internal control requirements and ensure that no action is taken to avoid the internal controls requirements.
- (c) **Auditing:** The Company employs a firm of independent chartered accountants to audit the Company's annual financial statements. The annual audit has a number of purposes, including (i) compliance with regulatory requirements, (ii) providing an independent assessment of whether the Company's financial statements fairly present the financial condition, results of operations and cash flow of the Company, (iii) assessment of the accounting principles used and significant estimates made by the Company in preparing its financial statements, and (iv) assessment of the Company's system of internal controls over financial reporting as required by applicable law and regulatory policies. Each employee is responsible for providing whatever assistance may be required by the auditors. If you receive inquiries from the Company's independent accountants, you must respond promptly, fully and accurately.

If you have any concerns as to weaknesses in the Company's accounting system or in the Company's internal controls; or if you believe that any instances of fraud, or incorrect or questionable accounting practices may have occurred; or if you believe that any instances of fraudulent, incorrect or questionable practices may have occurred in connection with the annual audit of the Company's financial statements, you should consult with your immediate supervisor or with the Company's CEO or CFO. Alternately, you may contact the Audit Committee of the Board of Directors.

2.3 Our Conduct with Partners, Suppliers and Competitors

We must conduct ourselves fairly and professionally in all dealings with partners, suppliers and competitors.

2.3.1 Acting Fairly and Professionally

- We deal fairly and honestly with partners, suppliers, competitors and employees, and anyone else with whom we have contact in the course of performing our job.
- Taking advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice is not acceptable.

2.3.2 Partner and Supplier Relations

Our relationships with partners and suppliers are critical to our success as a company.

- We must always act honestly, with integrity and respect in all business relationships with employees, competitors, potential business partners, suppliers, and government officials.
- Partner and supplier information is kept confidential unless disclosure is required by law or authorized by the partner or supplier.

2.4 Our Conduct with Shareholders and the Communities in Which We Work

We must conduct ourselves as a good corporate citizen, and be accountable to our shareholders, and the communities in which we work.

2.4.1 Environment, Health and Safety

We believe that sound environmental, safety, and occupational health management practices are in the best interests of our business, its employees, our shareholders and the communities in which we operate.

- We are committed to conducting our business in accordance with recognized industry standards and applicable environmental and occupational health and safety laws and regulations.
- We are committed to meeting or exceeding all applicable environmental legislation, regulations, permit and license requirements throughout all stages of our activities, keeping environmental risks at levels as low as reasonably achievable and to continuously improve our environmental performance and practices.
- We strive to protect the environment where we operate.
- Exploration activities are conducted according to the E3 (Environmental Excellence in Exploration) guidelines of the Prospectors and Developers Association of Canada.

2.4.2 Accountability and Social Responsibility

We believe that being a good corporate citizen is a vital component in all of our business practices.

- We operate in an ethical and law abiding manner.
- We endeavour to contribute to the communities in which we operate by focusing on activities that can make a meaningful, positive and lasting difference to the lives of those affected by our presence.
- We fully respect the cultures and customs of the places in which we operate without compromising consistent ethical standards.
- We exercise proper judgment in extending business courtesies and never accept or offer bribes, favours or "kickbacks" for the purpose of securing business transactions as defined in Canada's Corruption of Foreign Public Officials Act. All payments made to third parties must be necessary, lawful and properly documented.

2.4.3 Community

- We strive to be involved in and support the communities where we interact.

SECTION 3: Reporting and Compliance Procedures

Company personnel are expected to take all responsible steps to prevent a violation of this Code of Conduct and Ethics, to identify and raise potential issues before they lead to problems, and to seek additional guidance when necessary.

3.1 Violation of the Code of Conduct and Ethics

- Violation of a law, regulation, or failure to comply with the standards outlined in the Code of Conduct and Ethics will result in disciplinary action including, but not limited to, reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, restitution and discharge.
- Any company personnel who become aware of any existing or potential violation of the Code of Conduct and Ethics is required to notify management or members of the Board of Directors.
- Any act of dishonesty or falsification in connection with the performance of duties for the company will be disciplined.
- Please promptly discuss any questions or concerns you may have about the Code of Conduct and Ethics or the correctness of any past, present or anticipated conduct with your supervisor.
- As described in the Corporate Watch and Whistleblower Protection Policy, your concern will be treated in confidence and there will be no reprisal or adverse affect on you for bringing a matter forward.
- Certain violations of the Code of Conduct and Ethics may require the company to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution.

3.2 Amendments or Waivers in the Code of Ethics

Any change in or waiver of any provision of this Code of Conduct and Ethics shall require approval of the Board. The provisions of the Code of Conduct and Ethics may be amended or waived only by the Company's Board of Directors.

3.3 Administration and Distribution

- The company's Board of Directors has established the standards of business conduct contained in the Code of Conduct and Ethics, and oversees compliance with the Code of Conduct and Ethics.
- Strict adherence to the Code of Conduct and Ethics is vital. Every Supervisor is responsible for ensuring that employees are aware of and understand the provisions of the Code of Conduct and Ethics.
- The Code of Conduct and Ethics shall be distributed to each new director, officer and employee of the company upon commencement of his or her employment or other relationship with the company.

3.3.3 Publication of the Code of Conduct and Ethics

The Code of Conduct and Ethics will be disclosed as required by applicable laws and regulations.

COMPLIANCE CERTIFICATE

I have read and understand the C3 Metals Code of Business Conduct and Ethics (the “Code”). I will adhere in all respects to the ethical standards described in the Code. I further confirm my understanding that any violation of the Code will subject me to appropriate disciplinary action, which may include reprimand, suspension without pay, demotion or discharge. Execution of this certificate does not constitute a waiver of any other rights I may have by law or contract.

I certify to C3 Metals that I am not in violation of the Code, unless I have noted such violation in a signed Statement of Exceptions attached to this Compliance Certificate.

Name: _____

Check one of the following:

A Statement of Exceptions is attached.

No Statement of Exceptions is attached.

Signature: _____

Date: _____

APPENDIX B

Statement of Social Responsibility (CSR)

Overview

The company's overall strategy is to introduce corporate social responsibility as a key business imperative into every facet of business decision making throughout the organization, and to integrate environmental, social, health and safety, institutional (governance), and economic aspects. The overall goal is to implement credible corporate social responsibility policies.

Periodic Review:

- This policy will be reviewed and updated annually. The periodic review of this policy will be the responsibility of the President and CEO.

Implementation:

- The day-to-day interpretation and implementation of this policy will be the responsibility of management (reported to the VP Exploration).

Education:

- This policy will be brought to the attention of company personnel on a regular basis.
 - **Endorsement:**
- This policy is endorsed by the Board of Directors and is effective as of x date.

Sustainability Policy Statement

Commitment:

We feel we can play a role in the quality of life for the communities in which we work.

Integrated and Balanced Approach:

Our approach is to weave the elements of sustainability (social, environmental, economic, and institutional) into our corporate fabric.

A Way of Doing Business:

We view this as a process, rather than a project.

Continual Improvement and Shared Benefits:

This program will grow as we grow, as will the resulting benefits to the shareholders, and the communities and countries in which we work.

Legal Obligations

We will ensure compliance with all exploration and mining legislation and other related laws. We will develop best practices and standard operating procedures to ensure effective implementation of these policies.

Social Responsibility Policy Statements

Community Engagement

- We are committed to building a positive relationship with the local community and other parties of interest to our mineral exploration projects.
- Social factors will be incorporated directly into project management.
- Provide information in a complete and timely manner and, to reduce misunderstanding, in a language understood by the majority in the community; listening to the community; being transparent and accountable; respecting the local culture and values; protecting the environment and any impact on the community; hiring and training local people; using local services and suppliers wherever possible; and supporting, and if possible strengthening community structures and institutions (social capital), through training education in leadership, management and technical matters.
- Social Impact Assessment.
- Develop relationships with surrounding local communities.
- Involve local communities in setting priorities of community development projects and socio-economic aspects during the life-span of the project.
- Joint-efforts with the local community in identifying potential areas for the development of socio-economic programs.
- Government institutions, Parliament, Politicians, MGD-employees, Small Scale Miners, Mining Companies, Developing Partners, Non-Governmental Organizations, Religious Institutions, the Media and the Public at Large.

Public Awareness

- Participation of Government and Community Partners.
- Invite partners to participate in the mineral exploration process.
- Public awareness and involvement in development of Environmental and Social Impact Assessments.
- Register in any local Stock Exchange?

Cooperation with Regional and International Organizations

- Develop and sustain cooperation with regional and international organizations.
- Work with partners in planning and developing infrastructural facilities.
- Engage in government planning initiatives to reduce poverty and develop infrastructure.

Community Development

- We are committed to establishing and maintaining positive relationships with local, regional, national and international stakeholders by working collaboratively with communities, government agencies and other organizations to address development challenges.
- We are committed to working with and improving the lives of local people.

- We will establish and maintain effective community consultation throughout all phases of exploration.
- Contribute to local development projects in local communities.

Value Added

- Re-investment of profits into the community.
- Invest in power, water supply and social infrastructure such as schools, hospitals, and recreational facilities within the mines and adjoining facilities.
- Investment in socio-economic projects.
- Reinvest in sustainable energy research as an alternative source of energy.
- Social infrastructure and hygiene enhancing facilities such as water supply and sewage systems. Health care facilities such as dispensaries, clinics, HIV/AIDS screening laboratories.

Employment and Training

- Employ local experts available and develop succession plans for Nationals to take over expatriate positions.
- Carry out on job training to Nationals.
- Utilize universities, Government, and research institutions.

Local Goods and Services

- Procure local goods and services wherever possible. Use local inputs and supplies wherever feasible.
- Procure goods and services transparently under non-discriminatory measures in the local market.

Land Compensation and Relocation

- We are committed to complying with relevant legislation to accommodate land compensation, relocation and resettlement schemes in mining operations.
- Justice and transparency in land valuation, relocation, and compensation processes.
- Prepare and implement sound relocation and re-settlement schemes.
- Develop comprehensive relocation and resettlement programs where needed. Resettle people relocated to allow mining operations.

Ethical Conduct Policy Statements

Refer to and attach Code of Conduct and Ethics (approved by the Board of Directors).

Human Rights Policy Statements

Respecting Human Rights

- We are committed to respecting, promoting and protecting human rights.

Gender Equality and Equity

- Women in exploration and mining: Promote participation of women in exploration activities. Education and training for women to be involved in exploration activities.

Child Labour

- Child labour is prohibited, in any form, across all operations and activities. This policy applies to suppliers and sub-contractors.
- We will comply with all laws and regulations on child labour.
- Procurement: We will not support companies that utilize child labour.

Environmental Stewardship Policy Statements

Carry out baseline environmental studies, and prepare Environmental and Social Impact Assessment (EIA) reports and Environmental Management Plans (EMP). Comply with Environmental and Social Impact Statements (EIS) and Environmental and Social Management Plans.

Environmental Management

- We are committed to utilizing environmentally sound technologies and exploration methods.
- We are committed to developing policies and management plans to comply with all laws and relevant legislation related to issues such as land disturbance, site management, water use and conservation, hazardous materials, spill management, waste management, reclamation and closure (etc.).

Reclamation and Closure

- Comply with all guidelines for progressive environmental rehabilitation, land reclamation, and mine closure.
- Set aside funds for environmental rehabilitation and mine closure obligations.

Health and Safety Policy Statements

Occupational Health and Safety

- Partnerships with NGOs and other stakeholders to ensure better safety, occupational health and environmental awareness and management.

REPORTING CONTACTS

Ethics Officer

Name: Stephen Hughes
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Chair of Audit Committee

Name: Kimberly Ann

C3 Metals Inc.
Employee Orientation and Code of Conduct Manual

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APPENDIX C

C3 Metals Disclosure Policy

C3 Metals is committed to a policy of full, true and plain disclosure of all material information in a timely manner, in order to keep shareholders and the investing public informed about the Company's operations.

This policy outlines our approach to disclosure policies and practices. Its goal is to raise awareness of the Company's approach to disclosure among the Board of Directors, senior management and employees.

This policy extends to all employees of the Company, its Board of Directors and those authorized to speak on behalf of the company. It covers disclosures in documents filed with the securities commissions and written statements made in the Company's annual and quarterly reports, press releases, letters to shareholders, speeches by senior management and information contained on the Company's website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as press conferences and conference calls.

Disclosure Policy Committee

The Board of Directors will establish a Disclosure Policy Committee, which will consist of the three senior officers of the Company. Until such time as a Disclosure Policy Committee is established, the disclosure policies and practices outlined in this policy will be the responsibility of the Board of Directors, in which case a reference to the Disclosure Policy Committee will be deemed to be a reference to the Board of Directors as a whole.

The Disclosure Policy Committee will determine when developments justify public disclosure, may consult with the Company's legal advisors, Chairman and Board of Directors and meet as conditions dictate. It is essential that the Disclosure Policy Committee be fully apprised of all material Company developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential, and if so, how that inside information will be controlled. The Disclosure Policy Committee will designate a person or persons to be responsible for updating and maintaining the Company's website to ensure that it is accurate, complete and up to date.

The Disclosure Policy Committee will review and update, if necessary, this policy on an annual basis.

Designated Spokespersons

The Company designates a limited number of spokespersons responsible for communication with the media, investors and analysts. The Chairman and President shall be the official spokespersons for the Company. These individuals may, from time to time, designate others within the Company to speak on behalf of the Company as back-ups to respond to specific inquiries from the investment

community or the media (e.g. CFO to speak on matters relating to the Company's financial statements, VP-Exploration on matters relating to exploration).

Employees and directors and officers who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community or the media unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred to the Chairman, the President or the VP-Business Development. Certain individuals will be designated for purposes of investor relations and may speak to matters within their comprehension as directed by the Chairman or President. At all times they must qualify their knowledge as to the information being sought.

Responsibility for Electronic Communications

This policy also applies to electronic communications. Accordingly, officers and personnel responsible for written public disclosures shall also be responsible for electronic communications. Any material changes in information must be updated immediately. Although the Company views electronic communications as an extension of its formal disclosure record, it recognizes that disclosure solely on the website does not constitute adequate disclosure and dissemination of information that is considered material information which has not otherwise been made available to the public. Any disclosures of material information on its website will be coordinated with a press release.

Only public information or information which could otherwise be disclosed in accordance with this policy shall be utilized in responding to electronic inquiries.

Employees/Directors are prohibited from participating in internet chat rooms, newsgroup discussions or any other form of online social media on matters pertaining to the Company's activities or its securities. Employees who encounter a discussion pertaining to the Company should advise the Chairman, President or CFO immediately, so the discussion can be monitored.

Material Information

Material information is any information relating to the business and affairs of the Company that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's stock. Events that are a part of normal operations or procedures, which will not affect Company value, are not to be considered material. Examples that may give rise to material information include, but are not limited to the following:

- A significant acquisition, disposition or merger involving the Company
- A new issue of securities or a significant change in the Company's capital structure
- A significant change in expected earnings
- Large contracts

- Significant property developments (e.g. results of drilling programs)
- Major operational events or incidents.

Principles of Disclosure of Material Information

In complying with the requirement to disclose all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure rules:

1. Material information will be publicly disclosed immediately. In the event that circumstances require confidential reporting to regulatory authorities of publicly undisclosed material information, such information will be publicly disclosed as soon as business circumstances permit.
2. Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading).
3. Unfavourable material information must be disclosed as promptly and completely as favourable information and public disclosure should include information sufficient to permit media and investors to understand the substance and importance of the change.
4. No selective disclosure. Publicly undisclosed material information must not be disclosed to selective individuals (for example, in an interview with an analyst or in a telephone conversation with a major shareholder). If publicly undisclosed material information has been inadvertently disclosed to an analyst or any other person, such information must be generally disclosed immediately via a press release.
5. Disclosure must be updated if earlier disclosure has become misleading as a result of intervening events.
6. Decisions regarding confidential reporting of publicly undisclosed material information will be made by the Disclosure Policy Committee and non-disclosure will only be permitted in accordance with applicable securities laws and TSX Exchange rules.

Press Releases

Once the Disclosure Policy Committee determines that a development is material, it will authorize the issuance of a news release, unless the Disclosure Policy Committee determines that such developments must remain confidential for the time being and appropriate control of that confidential information is instituted according to securities laws and TSX Exchange rules. The Disclosure Committee may seek legal guidance.

Should publicly undisclosed material information be inadvertently disclosed in a selective forum, the Company will immediately issue a press release in order to publicly disclose that information in full.

Press Releases will be disseminated through a news wire service that provides national and simultaneous service. Press Releases will be transmitted to all stock exchange members, relevant

regulatory bodies, major national financial media and the local media where the Company has its headquarters and operations.

Rumours

So long as it is clear that the Company is not the source of the market rumour, the Company does not comment, affirmatively or negatively, on rumours. This applies to rumours on the Internet. The Company's spokespersons will respond consistently to those rumours, saying "It is our policy not to comment on market rumours or speculation." Should a stock exchange upon which the Company's securities are listed request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Disclosure Committee will consider the matter and decide upon the appropriate response.

Forward Looking Information

The Company may provide guidance to analysts and, from time to time, provide forward looking information with respect to exploration activities, timetables and expenditures to enable the investment community to better evaluate the Company and its prospects. In the event that forward looking information is provided in a disclosure document, the document will be accompanied by meaningful cautionary language that warns investors that there is a risk that the statement could change materially. In the case of oral forward looking statements, the statement will be identified as such and the spokesperson will refer to readily available written documentation (press release, annual report) for cautionary language.

Contacts with Analysts and Advisors

The Company recognizes that analysts are important conduits for disseminating corporate information to the investing public and that analysts play a key role in interpreting and clarifying existing public data and in providing investors with background information and details that cannot practically be put in public documents.

The Company may meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this policy. The Company will provide the sort of detailed differential information that has been provided to analysts, to individual investors or to reporters who request it. Where practicable, more than one Company representative will be present at all individual and group meetings with analysts and investors.

The Company recognizes that analyst disclosure does not constitute adequate disclosure of information that is considered material information if that information has not otherwise been made available to the public. If material information is to be announced at any analyst or shareholder meeting or a press conference, its announcement must be coordinated with a general public announcement via a press release.

Reviewing Analyst Draft Reports and Models

The Disclosure Policy Committee will determine whether, in the circumstances, the Company should review analysts' draft research report or models for the purpose of correcting factual errors.

The Company will not confirm, or attempt to influence, an analysts' opinion or conclusions. An analysts' report is considered proprietary and will not be disseminated by the Company without the analysts' consent.

Conference Calls

Quarterly or other timely conference calls may be held with members of the investment community to discuss financial and operating results or other corporate developments. The Company will announce the date and time of the conference call on its website and by way of press release, and the conference call may be broadcast simultaneously via webcast over the Internet. The media and individual investors may call a toll-free number (or access the webcast over the internet) and listen to the call on a real-time basis. A tape recording of the conference call will be made available for a period of time for anyone interested in listening to a replay.

Disclosure Record Retention

The Company will maintain a file containing all public information about the Company, including continuous disclosure documents, press releases, analysts' reports, transcripts or tape recording of conference calls and newspaper articles. Press Releases shall be kept for a period of two years, quarterly and annual reports for five years.

Trading Restrictions and Blackout Periods

Securities laws provide that insiders and employees with access to material information about the Company are prohibited from trading in C3 Metals' shares until the information has been fully disseminated to the public.

Blackout periods may be prescribed from time to time as a result of special circumstances relating to the Company pursuant to which insiders of the Company and employees with access to material information about the Company would be precluded from trading securities of the Company. The Disclosure Policy Committee will set the start and ending date of blackout periods resulting from special circumstances (i.e. acquisitions, new material contracts or other material events). Quarterly blackout periods will also apply to all insiders and employees during periods when financial statements are being prepared but results have not yet been publicly disclosed. The blackout period generally commences just after the end of a quarter until such time as the results are announced to the public.

Maintaining Confidentiality

Any insider or employee of the Company privy to confidential information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is confidential.

Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge such information to anyone else, other than in the necessary course of business, and that they may not trade in the Company's securities until the information is generally disclosed.

