



## CODE OF BUSINESS CONDUCT AND ETHICS

TO ALL EMPLOYEES AND CONTRACTORS OF TECTONIC METALS INC.:

### 1.0 OVERVIEW

As a socially responsible company, Tectonic Metals Inc. ("**Tectonic**" or the "**Company**") is committed to maintaining the highest possible standards in respect of corporate and personal integrity in all aspects of the Company's business. To work for Tectonic is to conduct one's self in the highest ethical standards both on and off the job and to contribute positively to the communities in which we live.

It is the policy of Tectonic to conduct its affairs in accordance with all applicable laws and regulations and to conduct all activities with the highest ethical standards. This Code of Business Conduct and Ethics (the "**Code**") applies to the Company's directors, officers, employees (collectively the "**Employees**") and to its contractors.

This Code establishes the minimum moral and ethical standards and expectations for conduct required of Employees and contractors of the Corporation. You must not engage in any on-duty conduct that would impair your job performance, cause damage to Tectonic or public property, jeopardize your safety or the safety of others, or negatively affect Tectonic's reputation or image.

If you are off-duty and wearing clothing with a Tectonic logo or driving a vehicle with the Tectonic logo, be mindful that the public sees you as representing Tectonic and your conduct affects the Company's reputation and image. If you have supervisory or lead responsibilities, you have additional responsibilities to take these actions:

- Educate your employees on this Code and the requirements applicable to your employees' work activities.
- Promote compliance with this Code and other relevant policies, standards, and procedures.
- Report suspicions or allegations of employee misconduct in accordance with company procedures.

This Code of Conduct is not intended to supersede any other applicable legal or regulatory requirements or any other federal, provincial, or local governmental entity.

If any Employee or contractor is uncertain of any behaviour relative to the Company's Code or any other ethical standard, they are responsible for discussing potential situations with senior management of Tectonic to determine the appropriateness of an action beforehand.

Any employee or contractor who violates the provisions of this Code will be subject to disciplinary action, up to and including termination. Willful disregard of criminal statutes underlying this Code may require the Company to refer such violation for possible criminal prosecution.

## 2.0 WORK ENVIRONMENT

### *Discrimination and Harassment Free Environment*

Tectonic will not tolerate workplace discrimination and harassment. Employees and contractors must be committed to preventing the development of an inhospitable work environment.

Employees and contractors must ensure that Tectonic has a safe and respectful work environment, free of discrimination and harassment, where high value is placed on equity, fairness and dignity. Harassment on the basis of race, gender, sexual orientation, color, national or ethnic origin, religion, marital status, family status, citizenship status, veteran status, age or disability is prohibited. Harassment generally means offensive verbal or physical conduct that singles out a person to the detriment or objection of that person. Harassment covers a wide range of conduct, from repeated direct requests of a sexual nature to insults, offensive jokes or slurs, which results in an inhospitable work environment. Harassment may occur in a variety of ways and may, in some rare circumstances, be unintentional. Regardless of intent, such conduct is not acceptable and may also constitute a violation of human rights legislation.

No one may harass another employee, contractor, customer, vendor, supplier, visitor or any other person on Tectonic's premises or while doing its business regardless of location.

### 2.1 Safe Working Conditions

*We are committed to ensuring the health and safety of our employee and contractors.*

We all have the right to work in an environment that is safe and healthy. In this regard, we must:

- Comply strictly with the letter and spirit of applicable occupational, health and safety laws and the public policies they represent;
- Follow work instructions or procedures on health and safety laws;
- Not consume or be under the influence of drugs or alcohol during working hours. In order to protect the safety of all employees, employees must report to work free from the influence of any substance that could prevent them from conducting work activities safely and effectively; and
- Not engage in illegal or dangerous behaviour.

Tectonic will not tolerate acts or threats of violence or acts of intimidation or hostility towards another person or group of persons. Promptly report to your supervisor or in accordance with the Reports and Complaints section of this Code, any accident, injury or unsafe equipment, practices or conditions, or violent behaviour.

### 3. BUSINESS ETHICS AND PRACTICES

#### 3.1 Protecting the Corporation's Assets and Resources:

*Tectonic's assets are to be used only for the purposes of fulfilling your corporate responsibilities.*

Tectonic's assets are meant for business use and not for personal use. We all have a responsibility to protect and safeguard Tectonic's assets from loss, theft, misuse, carelessness and waste.

Tectonic's property will never be used for personal gain, and you will not allow Tectonic's property to be used for illegal activities. If you become aware of theft, misuse or waste of our assets or funds or have any questions about your proper use of them, you should speak with your supervisor. However, if you feel uncomfortable approaching your supervisor with your concern, you may contact any member of senior management.

Misappropriation of Tectonic's assets is a breach of your duty to Tectonic and may be an act of fraud against Tectonic. Taking Tectonic's property from Tectonic's facilities without permission is regarded as theft and could result in dismissal. In addition, carelessness or waste of Tectonic's assets may also be a breach of your duty to Tectonic and could result in dismissal.

Tectonic's assets include, in addition to any physical asset, all memos, notes, lists, records, software and other documents (and copies of each of these) that you make or compile relating to Tectonic's business. All of these are to be delivered to Tectonic promptly after your employment ceases, or at any time that Tectonic requests.

#### 3.2 Policy Regarding E-mail, Internet, Telephones and other forms of Communication

*Use the Corporation's various forms of communication properly and appropriately.*

We provide some of our employees with access to e-mail, the internet, telephones and other forms of communication for business purposes, and while we understand the need for limited and occasional use of these tools for personal purposes, this use should not be excessive or cause detriment to Tectonic. Internet use must be conducted in a professional manner. For example, you're accessing internet sites containing obscene or offensive material, or sending e-mails that are derogatory or harassing to another person or group of people or chain e-mails, is prohibited. In addition, employees must be vigilant to ensure that the network security is maintained.

Employees with a Tectonic email address when conducting business on behalf of Tectonic while using email shall include a standard confidentiality statement, following their signature, as follows:

*This e-mail and any attachments may contain confidential information. If you are not the intended recipient, please notify the sender immediately by return e-mail, delete this e-mail and destroy any copies. Any dissemination or use of this information by a person other than the intended recipient is unauthorized and may be illegal.*

*Ce courrier électronique ainsi que ses fichiers joints peuvent contenir de l'information confidentiel. Si vous n'êtes pas le destinataire visé, veuillez avisé l'expéditeur immédiatement par courriel. Prière de détruire ce courriel et toutes copies si reliant. Aucune diffusion ou utilisation de cet information par une personne autre que le destinataire visé n'est autorisée et peut-être considérée illégal.*

### 3.3 Confidential Information

*Protect the confidentiality of Tectonic's "non-public information".*

"Non-public information" is information that is not generally available to the public through a press release, or widely reported media coverage. The circulation of rumors, or "talk on the street", even if accurate, is not considered public disclosure.

*Except where it is authorized or legally required, all employees must keep confidential all information concerning Tectonic or its business that is not generally available to the public.*

Information is considered to be public if it has been disclosed in an annual report, annual information form, management information circular, press release or interim report. The obligation to keep certain information confidential applies both during appointment or employment with Tectonic and after termination of appointment, or employment, including on retirement. In order to avoid civil and criminal insider trading violations, the Company has established an Insider Trading Policy. As a prerequisite and condition of employment, Employees must sign an acknowledgment by which they agree to adhere to this policy.

*Protect the confidentiality of "non-public information" about customers and suppliers.*

We also respect the confidentiality of information regarding other companies. If you learn of confidential information about another company in the course of your position, you should protect it the same way that you would protect confidential information about Tectonic. Data protection and privacy laws that affect the collection, use and transfer of personal customer information are rapidly changing areas of law, and you should consult with your supervisor if you have any questions regarding appropriate uses of other company information.

### 3.4 Media, Public and Governmental Inquiries

*Do not speak on behalf of the Corporation unless you are authorized to do so.*

Tectonic has spokespersons to release information to the public. When members of the media, financial analysts or government authorities contact Tectonic to request information, the response can have far-reaching implications, including effects on Tectonic's public image and its ability to compete. When we provide information on Tectonic's operational strategies or financial results, we must ensure both that the information is accurate and that it is an appropriate time to "go public" with that information.

If you receive a request for information from outside Tectonic, you must forward it to the CEO if you are not authorized to speak on behalf of Tectonic.

### 3.5 Conflicts of Interest

*Avoid situations in which your personal interests conflict, might conflict or might appear to conflict with the interests of Tectonic.*

We expect that you will act honestly and ethically and in the best interests of Tectonic by avoiding conflicts of interest in your personal and professional relationships. While we respect your right to manage your

personal affairs and investments and we do not wish to intrude on your personal life, Employees should place Tectonic's interest in any business transaction ahead of any personal interest or gain.

You may have a conflict of interest if you are involved in any activity that prevents you from performing your duties to Tectonic properly, or that may create a situation that would affect your judgment or ability to act in the best interests of Tectonic. For example, no employee should have a significant interest in a business that supplies goods or services to, or secures goods or services from, Tectonic, without receiving approval of his or her supervisor.

To avoid conflicts of interest, you must identify potential conflicts when they arise and notify your supervisor if you are unsure whether a relationship or transaction poses a conflict or appears to pose a conflict. Your supervisor will be able to clear or resolve certain conflicts or will be able to contact someone else who can. Directors will consult with the Nominating and Corporate Governance Committee.

### **3.6 Compliance with Laws, Rules and Regulations**

*Know and comply with all laws, rules and regulations applicable to your position.*

Many of Tectonic's activities are subject to complex and changing laws, rules and regulations. Ignorance of the law is not, in general, a defense to an action for contravention. We expect you to make every reasonable effort to become familiar with laws that affect your job and your performance and to exert due diligence in complying with these laws, rules and regulations and, to ensure that those individuals reporting to them are also aware of these laws, rules and regulations. Our objective is to restrict willful or negligent violations of these laws, rules and regulations.

If you have any doubts as to the applicability of any law, you should refer the matter to your supervisor or a member of senior management who may obtain advice from the Corporation's legal counsel.

Tectonic's policy is to meet or exceed all applicable governmental requirements regarding its activities. As an Employee or contractor, you must be aware of the applicable governmental requirements and report any violations thereof to your supervisors or in accordance with the Reports and Complaints section of this Code. Similarly, no one may enter into any arrangement contrary to applicable requirements or laws.

### **3.7 Fair Dealing**

*Deal fairly with Tectonic's customers, suppliers and competition.*

You must endeavor to deal fairly with security holders, Tectonic's customers, suppliers, competitors and employees, and should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

### **3.8 Dealing with Public Officials**

No Employee or contractor shall make any form of payment, direct or indirect, to any public official as inducement to procuring or keeping business or having a law or regulation enacted, defeated, or violated.

When not prohibited by law, Employees are allowed to give public official gifts where the presentation and acceptance of gifts is an established custom and a normal business practice. All such gifts and the

presentation will be approved in advance by the Company's Chief Executive Officer and must be presented in a manner that clearly identifies the Company.

### **3.9 Receiving Gifts**

*You must not accept expensive or inappropriate gifts or other benefits from persons doing or seeking to do business with Tectonic.*

You cannot solicit, encourage or receive bribes or other payments, contributions, gifts or favors that could influence your or another person's decisions. It is acceptable to accept modest gifts, entertainment or other benefits from persons doing or seeking to do business with the Corporation, provided the benefits are given in accordance with normal good business relationships. Employees and contractors are prohibited from accepting gifts of money.

### **3.10 Accuracy of Books and Records**

*Ensure that the books and records of the Corporation are complete and accurate.*

The books and records of Tectonic must reflect in reasonable detail all its transactions in a timely and accurate manner in order to, among other things, permit the preparation of accurate financial statements in accordance with generally accepted accounting principles. All assets and liabilities of Tectonic must be recorded as necessary to maintain accountability for them.

All business transactions must be properly authorized. All transactions must be supported by accurate documentation in reasonable detail and recorded properly. The recorded value for assets must be compared to the existing assets at reasonable intervals and appropriate action taken with respect to any differences.

No information may be concealed from the auditors, the Audit Committee or the Board.

In addition, it is unlawful to fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant who is auditing our financial statements.

### **3.11 Accounting, Auditing or Disclosure Concerns**

*Provide accurate and fair public disclosure.*

We are required to provide full, fair, accurate, timely and understandable disclosure public communications made by the Corporation. Employees who are responsible for the preparation of Tectonic's public disclosures, or who provide information as part of the process, have a responsibility to ensure that disclosures and information are made honestly, accurately and in compliance with Tectonic's disclosure controls and procedures.

We all have a responsibility to submit good faith questions and concerns regarding accounting, auditing or disclosure matters. Complaints and concerns related to such matters include, among others, actions involving:

- Fraud or deliberate errors in the preparation, maintenance, evaluation, review or audit of any financial statement or financial record;
- Deficiencies in or non-compliance with internal accounting controls;

- Misrepresentation or false statements to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports; or
- Deviations from full and fair reporting of Tectonic's financial condition.

### **3.12 Duty of Care**

Employees, contractors and agents must act with and exercise good care, prudence, and diligence in the performance of their services and if acting in a supervisory role, assure that any employees or contractors act with the same standard of good care. The Employee, contractor, contractor, or agent shall provide the services in accordance with the generally accepted standards of diligence, skill, safety, efficiency and care normally expected to be exercised by a conscientious and reasonable person possessing the appropriate professional skill and experience for a person engaged in providing similar services.

## **4. COMPLIANCE WITH THE CODE OF CONDUCT**

### **4.1 General**

This Code is made available to every Employee and contractor via a posting on our website. Each Employee and contractor is responsible for reading and understanding this Code. Each Employee and contractor may be required to sign an acknowledgement in the form of the Statement of Compliance acknowledging their understanding and commitment to adherence to this Code.

The Code is intended to serve as a guide for your own actions and decisions and for those of your co-workers.

### **4.2 Reports and Complaints**

Each of us is obligated to report any violation of the Code, any law or any regulations to the appropriate representative of the Corporation.

As an Employee or contractor, if you believe that a violation of the Code or any law, rule or regulation has been or is likely to be committed by you or someone else who is a representative of Tectonic, you have an obligation to promptly report the relevant information. You have several options for raising concerns:

1. To the person to whom you report;
2. To the Company's Chief Financial Officer or Chief Executive Officer; or
3. With the Nominating and Corporate Governance Committee.

If the issue or concern is related to the internal accounting controls of the Company or any accounting or auditing matter, you may report it anonymously to the Audit Committee at [ACchair@tectonicmetals.com](mailto:ACchair@tectonicmetals.com).

### **4.3 Treatment of Reports and Complaints**

Confidentiality of reported violations will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review and subject to law. You may make a report anonymously. You should write a letter and include as many specific details as possible, including back-up documentation where

feasible, in order to permit adequate investigation of the concern or conduct reported. Vague, non-specific or unsupported allegations are inherently more difficult to pursue.

#### **4.4 Penalties for Violating the Code**

We will not discharge, demote or suspend you if you, in good faith, report concerns about actual or potential violations of laws, rules or regulations, or this Code.

Retaliation is prohibited; however, the Corporation reserves the right to discipline you if you make an accusation without a reasonable, good faith belief in the truth and accuracy of the information or if you knowingly provide false information or make false accusations. "Good faith" does not mean that you have to be right, but it does mean that you must believe you are providing information that is true. If you believe that you have been unfairly or unlawfully retaliated against, you should report the situation as soon as possible to one of the people detailed in the "Reports and Complaints" section.

#### **4.5 Disciplinary Action for Code Violations**

We will impose discipline for each Code violation that fits the nature and particular facts of the violation. If you fail to comply with laws or regulations governing the Corporation's business, this Code or any other Corporate policy or requirement, you may be disciplined up to and including immediate termination. Legal proceedings may also be brought against you, where warranted.

#### **4.6 Waivers and Amendments**

The Nominating and Corporate Governance Committee will review this Code annually and make a recommendation of proposed changes, if any, to the Board of Directors.

Only the Board of Directors may waive application of or amend any provision of this Code. A request for such a waiver should be submitted in writing on the Board of Directors, Attention: Chair of the Nominating and Corporate Governance Committee, for its consideration.

Employees and contractors will be fully informed of any material revisions to the Code.

### **5. LEGAL NOTICE**

This Code serves as a reference to you. Tectonic reserves the right to modify, suspend or revoke this Code and any and all policies, procedures, and programs in whole or in part, at any time. Tectonic also reserves the right to interpret and amend this Code and these policies in its sole discretion as it deems appropriate. Any amendments to the Code will be disclosed and reported as required by law.

Neither this Code, these policies nor any statements made by any Employee, whether oral or written, confer any rights, privileges or benefits on any employee or contractor, create an entitlement to continued employment at Tectonic, establish conditions of employment, or create an express or implied employment contract of any kind between employees and Tectonic. In addition, all Employees and contractors should understand that this Code does not modify their employment relationship, whether at will or governed by a written contract.

The most recent version of this Code appears online at [www.sedar.com](http://www.sedar.com).



## 6. CONCLUSION

In the final analysis, you are the guardian of Tectonic's ethics. While there are no universal rules, when in doubt you should ask yourself:

- Will my actions be ethical in every respect and fully comply with the law and with Tectonic policies?
- Will my actions have the appearance of impropriety?
- Will my actions be questioned by my supervisors, associates, clients, family and the general public?
- Am I trying to fool anyone, including myself, as to the propriety of my actions?

If you are uncomfortable with your answer to the above, you should not take the contemplated action without first discussing this with one of the people listed in the "Reports and Complaints" section.

Any Employee or contractor who ignores or violates any of Tectonic's ethical standards, or who penalizes a subordinate for trying to follow those standards, or willfully or knowingly omits to tell the entire truth during any ethics or other Tectonic investigation, or obstructs, defeats or attempts to stop an ethics or other Tectonic investigation, will be subject to corrective action, up to and including immediate dismissal. However, it is not the threat of discipline that should govern your actions. We hope you share our belief that a dedicated commitment to ethical behaviour is the right thing to do, is good business, and is the surest way for Tectonic to remain a successful and responsible employer.

Approved and adopted by the Board of Directors on September 17, 2019