



ANTI-BRIBERY, ANTI-CORRUPTION AND ANTI-FRAUD POLICY

This Policy is applicable to all Imperial Metals Corporation (the “**Company**”) entities and operations, whether operated by the Company, an affiliate, or a subsidiary, and to all of the Company’s employees and third party contractors.

The purpose of this Anti-Bribery, Anti-Corruption and Anti-Fraud Policy is to reiterate the Company’s commitment to full compliance by the Company, its subsidiaries and affiliates, and its officers, directors, employees, agents, consultants and representatives with Canada’s Corruption of Foreign Public Officials Act (“**CFPOA**”), the U.S. Foreign Corrupt Practices Act (“**FCPA**”), and any other local anti-bribery or anti-corruption laws that may be applicable, including anti-money laundering, mail and wire fraud and conspiracy laws.

This Policy supplements all applicable laws and provides guidelines for compliance with the CFPOA, FCPA, and the Company’s policies applicable to the Company’s operations.

For the purposes of this Policy, a “**contractor**” or “**third party service provider**” is defined as an entity or individual who provides, and receives payment for, services or goods related to any aspect of the Company’s operation, and includes subcontractors.

1. SCOPE

This Policy applies to every Company employee, including senior executives and financial officers, and to members of our Board of Directors (collectively referred to as “**Imperial Personnel**”), and reflects the standards to which the Company expects its business associates, partners, agents, contractors, and consultants to adhere when acting on the Company’s behalf.

This Policy is intended to supplement all applicable laws, rules, and other corporate policies. It is not intended to supplant any local laws.

2. DEFINITIONS

Corruption is the misuse of public power for private profit, or the misuse of entrusted power for private gain. Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person’s views or conduct or to obtain an improper advantage. Bribery and corruption can take many forms, including the provision or acceptance of:

- a. Cash payments;
- b. Phony jobs or “consulting” relationships;
- c. Kickbacks;
- d. Political contributions;
- e. Charitable contributions;
- f. Social benefits; or
- g. Gifts, travel, hospitality, and reimbursement of expenses.

Fraud is an intentional act or omission designed to deceive another person, to secure an unfair or unlawful gain, or to obtain a benefit that one is not entitled to. Fraud can include a wide range of activities including falsifying financial or operational records, engaging in fraudulent relationships with vendors or contractors such as receiving kickbacks, misappropriating or misusing the Company’s assets (including both physical assets and non-physical assets), and theft.

3. POLICY

Imperial Personnel and agents are strictly prohibited from offering, paying, promising, or authorizing any payment or other thing of value to any person directly or indirectly through or to a third party for the purpose of (ie., in exchange for):

- a. causing the person to act or fail to act in violation of a legal duty;
- b. causing the person to abuse or misuse their position; or
- c. securing an improper advantage, contract or concession for the Company or any other party

(“**Improper Payment Activity**”).

To promote compliance with anti-corruption laws in Canada, the United States, and other applicable jurisdictions, no Imperial Personnel shall undertake any Improper Payment Activity in respect of a foreign official, a domestic official, or a person doing business in the private sector.

4. AUDITS

Audits of the Company’s sites, operating units, and contractors may be conducted periodically to ensure that the requirements of this Policy and applicable procedures and guidelines are being met. Audits may be conducted internally by Imperial, or externally by retained third parties. Audit documentation shall include performance improvement action plans.

5. INTERACTION WITH OTHER CORPORATE POLICIES

Other Imperial policies should be construed consistent with this Policy.

6. WAIVER

There is no permitted deviation or waiver from this Policy.

7. DISCIPLINE

Any employee who violates the terms of this Policy will be subject to disciplinary action up to and including termination of employment. Any employee who has direct knowledge of potential violations of this Policy but fails to report such potential violations to the Company’s management will be subject to disciplinary action. Any employee who misleads or hinders investigators inquiring into potential violations of this Policy will be subject to disciplinary action. In all cases, disciplinary action may include termination of employment. Any third party agent who violates the terms of this Policy, who knows of and fails to report to the Company’s management potential violations of this Policy, or who misleads investigators making inquiries into potential violations of this Policy, may have their contracts re-evaluated or terminated.

8. ADMINISTRATION OF POLICY

Requests for additional guidance or interpretation regarding this Policy can be directed to the Office of the Corporate Secretary. This Policy must always be interpreted in compliance with the then current legislation. Nothing in this Policy should be construed to supersede any applicable laws, regulations or rules. This Policy will be updated from time to time as required.

9. REPORTING

Any Director or Officer of the Company must report any violation or suspected violation of this Policy to the Chair of the Audit Committee, and all other Imperial Personnel must report any violation or suspected violation of this Policy to their manager/supervisor or the Corporate Secretary, who in turn must inform the Chair of the Audit Committee of the violation or suspected violation.

The Company will not tolerate any retaliation, or threat of retaliation, against anybody who reports a violation or suspected violation of this Policy. Retaliation includes discrimination, intimidation, harassment and reprisals. Retaliation against anyone who, in good faith, has made a report is a serious disciplinary offence.

10. REFERENCES AND APPENDICES

For reference:

The CFPOA can be found at: <http://laws-lois.justice.gc.ca/eng/acts/C-45.2/>

The FCPA can be found at: <http://www.justice.gov/criminal/fraud/fcpa/>