



ALMONTY INDUSTRIES INC.
ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

May 28, 2021

1. Introduction

The Board of Directors of Almonty Industries Inc. (together with its subsidiaries, referred to as the “**Corporation**”) has determined that, on the recommendation of the Nomination, Compensation and Corporate Governance Committee of the Board of Directors, the Corporation should formalize its policy on compliance with anti-bribery and anti-corruption legislation applicable to the Corporation, its subsidiaries and agents (the “**Legislation**”).

The Corporation has a zero-tolerance approach to bribery and corruption. Even the suggestion of corruption may damage the reputation of the Corporation and affect its ability to do business, as well as the reputation of its employees. The Corporation is therefore committed to doing business ethically, even if this means not gaining new business, not using the services of particular agents or business partners or incurring delays in carrying on existing business.

2. Objective of the Policy

The objective of this anti-bribery and anti-corruption policy (the “**Policy**”) is to provide a procedure to ensure that the Corporation, together with its directors, officers, employees, consultants and contractors, conducts its business in an honest and ethical manner reflecting the highest standards of integrity and in compliance with all relevant laws and regulations applicable to it and in compliance with the Legislation. Compliance with this Policy is required under the Corporation’s Code of Business Conduct.

3. Application of the Policy

This Policy applies to all directors, officers, employees, consultants, contractors and agents of the Corporation and reflects the standards to which the Corporation expects its business associates, partners, agents and consultants to adhere to when acting on the Corporation’s behalf. All consultants, contractors and agents shall be provided with or directed to a copy of this Policy and all agreements with consultants, contractors and agents shall include a provision that the consultant, contractor, agent or intermediary must abide by this Policy at all times.

Any breach of this Policy will result in disciplinary action (possibly including, but not limited to, termination of employment, contractor, consulting or agency relationships) and may also result in conviction for a criminal offence in many jurisdictions, including severe financial penalties and imprisonment. The Corporation treats the risk of bribery extremely seriously, not least because of the potential for reputational damage if the Corporation or an employee were found guilty of a bribery offence.

4. Communication of the Policy

A copy of this Policy has been or will be made available to all directors, officers, employees, consultants, contractors and agents of the Corporation as well its auditors, legal counsel and other advisers. It is also posted on the Corporation's website at www.almonty.com. Additionally, a copy of the policy will be posted at mine sites operated by the Corporation. Directors, officers, employees, consultants, contractors and agents are required to refer to the Corporation's website regularly to keep themselves informed of changes which may be made to this Policy from time to time.

A copy of the current version of this Policy may also be obtained at any time from the Corporation's Corporate Secretary.

5. Management Responsibilities

Management of the Corporation shall develop, implement, monitor and maintain a system of internal controls to facilitate compliance with this Policy, as well as to foster a culture of integrity and maintain high ethical standards throughout the Corporation.

6. Prevention of Improper Payments

All directors, officers, employees, consultants, contractors and agents will adhere to the Corporation's commitment to conduct its business in an honest and ethical manner reflecting the highest standards of integrity and in compliance with all relevant laws and regulations applicable to it.

This Policy prohibits the giving, accepting or requesting of a bribe or anything which may be viewed as a bribe and this applies to anything that you do yourself or which is done by you indirectly through a third party or by a third party associated with the Corporation. This Policy applies to private commercial activity and to activity involving public officials.

Accordingly, the Corporation and its directors, officers, employees, consultants, contractors and agents shall not:

6.1 Government/Public Bribes

- (a) directly or indirectly, offer, promise, or give any financial or other advantage to a public official (or to another person at that public official's request, assent or acquiescence) intending to influence the public official for the purpose of obtaining or retaining business, or an advantage in the conduct of business. Influencing a public official can include influencing them to do something which is within the scope of their public duties or which they may otherwise have done in any event;
- (b) agree to, or comply with any demands for a financial or other advantage made by a public official;

provided however, a director, officer, employee, consultant, contractor, agent or intermediary of the Corporation will not have breached the terms of paragraph 6.1(a) or

6.1(b) of the Policy, if the financial or other advantage is expressly permitted or required by the written laws applicable to the public official and the financial or other advantage has been approved by the Corporation, in accordance with the procedure provided in Section 9 below.

A “public official” includes:

- any officer, employee or representative of, or any person otherwise acting in an official capacity for or on behalf of a government authority;
- any employee of a government-owned or government-controlled entity;
- a legislative, administrative or judicial official, regardless of whether elected or appointed;
- an officer of, or individual who holds a position in, a political party;
- a candidate for political office; or
- a person who otherwise exercises a public function for or on behalf of any country.

In practice, this can include civil servants, inspectors, members of a political party, employees of a state university, judges, customs and immigrations officials, ambassadors and embassy staffs, and law enforcement personnel. This list is not exhaustive. If you have any questions or concerns, please ask either the Corporate Secretary or an executive officer.

The only circumstances in which the Corporation envisages payments may be required by law to be made to a public official are set out in Section 6.7, below. In certain jurisdictions, the Corporation is required by law to have State appointees on the boards of local companies and is required by law to pay those appointees the usual director fees or retainers for their services.

6.2 Private Bribery

offer, provide, authorise, request or receive a “bribe” or anything which may be viewed as a bribe either directly or indirectly or otherwise through any third party or perform their functions improperly in anticipation or in consequence of a bribe;

A “bribe” is any financial or other advantage which is offered, provided, authorised, requested or received as an inducement or reward for the improper performance of a person’s relevant function or the receipt of which is itself improper.

6.3 Kickbacks and False Commissions

kickback any portion of a contract payment to any third party (including employees of another contracting party) or utilize other techniques, such as subcontracts, purchase orders or consulting agreements, or commissions to channel bribes to any third party (including public officials, employees of another contracting party, their relatives or associates);

6.4 Facilitation Payments

offer, make, pay or receive any Facilitation Payment to any third party including, but not limited to, public officials;

"Facilitation Payment" means any payment made to encourage the recipient or a third-party to perform their existing obligations or role, or expedite a routine task they are otherwise obligated to do. These can be payments to perform routine tasks, including (a) the issuance of a permit, license or other document to qualify a person to do business; (b) the processing of official documents, such as visas and work permits; (c) the provision of services normally offered to the public, such as mail pick-up and delivery, telecommunication services and power and water supply; and (d) the provision of services normally provided as required, such as loading and unloading of cargo, the protection of perishable products or commodities from deterioration or the scheduling of inspections related to contract performance or transit of goods.

6.5 Political Contributions

make any contributions or provide any financial support, directly or indirectly, to political parties or candidates on behalf of the Corporation;

6.6 Charitable Contributions and Social Benefits

make any charitable or community contributions on behalf of the Corporation without first obtaining formal internal approval for such contribution in accordance with prescribed procedures of the Corporation. Given the nature of the Corporation's business, the Corporation may periodically be asked by governments or relevant State agencies, or may be required by law, to contribute financially or in kind, or to partner with relevant State agencies, in the development of local communities and services for those communities, and for infrastructure near its assets, such as roads, schools, medical facilities and worker housing. As part of the Corporation's commitment to corporate responsibility and sustainable development, as a general matter, the Corporation would like to provide such assistance in appropriate circumstances in an appropriate manner. However, outside of a program for which there is an existing approval by the Corporation or which is required by applicable law, such requests must be carefully examined for legitimacy. All requests must be carefully structured to ensure that the benefits reach their intended recipients;

6.7 Employment of Public Officials

employ or accept the nomination of any public official or any relatives of a public official. However, if the Corporation (acting through its applicable procedures) deems necessary, then such a person may be employed or nominated to a position provided:

- it is required by the applicable written laws of the host country in relation to the free-carried equity interest or working equity interest of the host country in any mining or development asset;

- following appropriate scrutiny, it can be demonstrated that retention of such person does not conflict with his or her official duties, and any applicable remuneration outside of his or her official duties is permitted under local law;
- the reputation, background and past performance of the employee is properly researched and documented to ensure the employee is qualified for the intended duties and has a reputation for integrity; and
- the services to be rendered by the person are such that the employment of the person does not conflict with Section 6.1 (Government/Public Bribes) of this Policy;

6.8 Gifts and Entertainment

give, offer or receive inducements, including gifts and entertainment, on a scale that might be perceived as creating an obligation on the recipient, or to influence a decision by the recipient. To comply with this Policy, the cost or expense of a gift, meal or entertainment must be reasonable. It must be directly connected to a legitimate business promotional activity or the performance of an existing contract, it must be permitted under local law and it must be otherwise consistent with the Corporation's business practices. When considering the reasonableness of the expense, directors, officers, employees, consultants, contractors and agents of the Corporation should consider the frequency with which such expenses are incurred. Modest costs frequently incurred can, when aggregated, amount to lavish and potentially improper payments. Even where gifts, meals or entertainment may be consistent with normal social or business amenities in the relevant country, that does not mean that they are permitted under either the laws of that country or the laws of other countries combating bribery and corruption, including Canadian law. The cost of gifts, meals, and entertainment should always remain at or below that permitted by local law and in no event should that amount be greater than the legitimate and customary expenditure for such activities by private business persons in the country.

In addition to the general guidance outlined above, no gifts, hospitality or entertainment of value of more than US\$100 per individual shall be offered, provided or accepted unless they have been suitably approved in advance by the Corporation which shall maintain a record of all such requests and approvals and regularly review such records.

If you are in any doubt as to the appropriateness of the offer of a gift, hospitality or entertainment you should seek further guidance from the Corporate Secretary or any executive officer.

7. Extortion

The Corporation and its directors, officers, employees, consultants, contractors, agents or intermediaries shall reject any direct or indirect request by any third party (including but not necessarily limited to a public official) for a bribe (including a facilitation payment), even if by rejecting such a request, the Corporation is consequently threatened with adverse commercial actions.

The Corporation does, however, recognise that in some cases an individual's own welfare and safety could be at risk if they do not respond to such requests. If you find yourself in this situation, you should never put yourself in danger but should promptly report the request to the Corporate Secretary, an executive officer or a member of the Audit and Risk Management Committee.

As with other violations of this Policy, the offering or making of any facilitation payment and/or the failure to fulfil any reporting obligations under this Policy shall be a disciplinary matter subject to the Corporation's disciplinary process. However, the Corporation shall not take disciplinary action against any individual who makes a payment in such circumstances if they genuinely believe that they or their family members would have been put in danger if they had not done so.

8. Accounting; Books and Records

The Corporation will maintain a system of internal accounting controls and keep books and records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets. Accordingly:

- (a) False, misleading or incomplete entries in the Corporation's books, records and other business documents are prohibited. No transaction should ever be entered into that requires or contemplates the making of false or fictitious records, in whole or in part.
- (b) No undisclosed or unrecorded funds, transactions or accounts may be established or made for any purpose.
- (c) Circumventing or evading, or attempting to circumvent or evade, the Corporation's internal accounting controls is prohibited.
- (d) No payment on behalf of the Corporation is to be approved or made without adequate supporting documentation or made with the intention or understanding that all or any part of the payment is to be used for any purpose other than the specific purpose described by the documents supporting the payment.

These requirements apply to all transactions regardless of financial materiality.

9. Compliance

All directors, officers, employees, contractors, consultants and agents, in discharging their duties, shall comply with the laws, regulations and rules of the jurisdiction where they carry out their business duties to the Corporation and all jurisdictions where the Corporation conducts its business activities, and in particular with respect to corrupt practices laws, regulations and rules. Where uncertainty or ambiguity exists, competent legal advice should be obtained. It is a fundamental principle of this Policy that discretionary decisions relating to the contents described herein should not be made "in the filed" but rather should be referred through the procedures of the Corporation on to the responsible person for approval (which may include, but are not limited to, the CEO, CFO and Corporate Secretary) who will make such decisions with advice from external legal counsel if necessary.

10. Compliance Certification

All directors and officers of the Corporation, together with any employees, consultants and contractors specified by management, shall annually provide a certification of compliance with this Policy as contemplated in the Corporation's Code of Business Conduct.

11. Reporting Violations

Any officer or employee that becomes aware of actions which could constitute a violation of this Policy is required to report it to their immediate supervisor. However, if such officer or employee is not comfortable discussing the matter with their immediate supervisor, or does not believe that the supervisor has dealt with the matter properly, then they should raise the matter with a senior officer of the Corporation or anonymously make a complaint using the whistleblower hotline or email address set out below. Officers and employees who raise concerns in good faith will not be subject to retribution or disciplinary action.

Persons wishing to make complaints or report concerns on a confidential basis are encouraged to use the following worldwide call collect/reverse charge number: +1 416-271-9728

12. Consequences of Non-Compliance with Policy

Failure to comply with this Policy may result in severe consequences, which could include internal disciplinary action and possible termination of employment or consulting arrangements. The violation of this Policy may also violate certain laws and if it appears that a director, officer, employee, consultant, contractor, agent or intermediary may have violated such laws, then the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to criminal prosecution or civil action resulting in penalties, fines and imprisonment.

13. Review of Policy

The Nomination, Compensation and Corporate Governance Committee of the Board of Directors of the Corporation will review and evaluate this Policy on an annual basis to determine whether the Policy is effective in ensuring compliance by the Corporation, its directors, officers, employees, consultants, contractors and agents with the Legislation.

14. Queries

If you have any questions about how this Policy should be followed in a particular case, please contact the Corporate Secretary or a member of the Nomination, Compensation and Corporate Governance Committee of the Board of Directors.

Last Update: May 28, 2021

Approved by: Nomination, Compensation and Corporate Governance Committee
Board of Directors