

Palladium **One** Mining Inc.

Code of Conduct and Ethics

Owner: Chief Executive Officer

Administrator: Chief Executive Officer

Approval Date: March 14, 2022

Version: 1.0

1. PURPOSE

Palladium One Mining Inc's ("PDM" or the "Company") Code of Conduct and Ethics expresses the corporate commitment to maintaining the highest ethical standards of performance, defining the company we are, the values that govern and guide our business and the ethical conduct we expect of its members.

The purpose of the Code of Conduct and Ethics ("Code") is to be an instrument that reflects the organizational identity and to provide guidelines for expected behavior and conduct of Board members, officers and employees of the Company and its contractors, consultants, temporary workers and related parties ("Business Associates").

The Code also promotes and establishes guidelines for:

- i. Honesty, integrity and ethical conduct, including the appropriate handling of actual or apparent conflicts of interest between personal and professional relationships.
- ii. Full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with or submits to any stock exchange on which common shares of PDM are listed and in other public communications made by the Company.
- iii. Compliance with applicable governmental laws, rules and regulations.
- iv. The prompt internal reporting of concerns, violations or suspected violations of the Code to appropriate persons of authority within the Company.
- v. Accountability for adherence to the Code.

2. APPLICABILITY AND SCOPE

This Code has been adopted by the Board of the Company and applies to directors, officers and employees of the Company and its Business Associates, including, contractors, consultants, temporary workers, other workers and related parties (collectively "Personnel").

All Personnel of the Company and Business Associates shall adhere to, comply with and advocate the standards set out in this Code, which are expected to govern their professional and ethical conduct in the fulfillment of their responsibilities.

3. CODE REQUIREMENTS

The Code embodies guidance to ensure Personnel of the Company and Business Associates govern their business conduct in accordance with the highest standards of honesty, integrity and ethical conduct and in compliance with applicable laws, rules and regulations.

All Personnel subject to this Code have the obligation to adhere to this Code in the performance of their responsibilities. When faced with a situation that requires an evaluation of what is, and what is not, proper business conduct, the following criteria are the recommended starting point:

- i. Is the course of conduct legal?
- ii. Is the course of conduct in accordance with the guidelines set forth in the Code of Conduct and Ethics and with the Company's policies and procedures?
- iii. Would you or the Company be compromised or embarrassed if the situation were known by your co-workers, your relatives, stakeholders or the public?
- iv. Does the intended course of conduct have the appearance of impropriety?

If you are unable to answer these questions with certainty, please seek advice from your supervisor or as

described under section 3.2 of this policy entitled “**Reporting Code Non-Compliance or Concerns and Handling Code Reports**”.

3.1. STANDARDS OF CONDUCT

The Company and its Personnel shall respect the human rights of stakeholders and the local communities where we operate. No human rights violations will be tolerated by the Company.

3.1.1. CONFLICT OF INTERESTS

Conflicts of interest can arise when personal or financial interest of an individual unduly interferes or appears to interfere with the interests of the Company, influencing the actions of Personnel in exercising their functions and duties. A conflict of interest may cause an individual to make decisions based on personal gain or to make difficult to perform functions and duties objectively and effectively.

Without prior disclosure to executive management and/or the board of directors, Personnel of the Company are prohibited to establish corporate or business relationships, personally or through family (spouses and first or second-degree family member), with business partners, service providers, suppliers and competitors of the Company. All Personnel of the Company should act with honesty, integrity and in the best interests of the Company avoiding actual or apparent conflicts between personal and private interests and the interests of the Company. This includes refraining from receiving improper personal benefits as a result of holding a particular position with the Company; acting in good faith, responsibly with due care and diligence and without misrepresentation or omission of material facts and strive to maintain impartial judgment in the performance and fulfillment of their duties and responsibilities.

3.1.2. HIRING

Hiring relatives is allowed if:

- i. Approved by the Chief Executive Officer.
- ii. Relatives are not subordinate to the same immediate manager.
- iii. Relatives occupy positions where there is no relationship of subordination between them.
- iv. Relatives of employees are approved in all stages of the selection process.
- v. Personnel of the Company and directors must formally notify the Chief Executive Officer and if applicable the Department of Human Resources, of the existence of kinship in the Organization, suppliers and customers.

3.1.3. ILLICIT DRUGS, ALCOHOL CONSUMPTION AND WEAPONS

Alcohol consumption during work hours, as well as the exercise of professional functions while intoxicated is forbidden. The use and possession of illicit drugs is also prohibited, as is remaining in the workplace in an altered state by use of these substances, which can affect the safety and performance of both the employee and his/her coworkers.

It is strictly forbidden the possession of weapons of any kind, be they melee weapons (switchblades, knives, etc.), fire, shock, lethal, non-lethal and ammunition. The carrying of weapons is permitted only and exclusively for:

- i. Security professionals (which provide service through the hiring of third party specialized in armed surveillance), in the exercise of activities that ensure the safety of the Company and its Personnel.
- ii. Geological field personal engaged in field activities where there may be a threat e.g., Bears and Wolves.

Any Personnel of the Company found making use or under the influence of drugs, including alcohol, as well those found with possession of weapons, will be immediately removed from their functions and can be terminated with cause.

3.1.4. EXPLOITATION OF THE ADULT OR CHILD LABOR

The Company does not allow any form of exploitation of adult or child labor, as well as maintaining relationships with vendors, entity or institutions that are complicit with this practice. It is understood as slave labour, exploiting the working adult: *reducing someone to a condition analogous to slavery, or subjecting them to hard labor or the exhausting journey, or subjecting them to degrading conditions work or restricting, by any means, their locomotion due to debt contracted with the employer or agent.*

3.1.5. PRODUCTS TRADE

The marketing (supply, purchase or sale) of products of any nature on Company premises, whether during or outside of working hours is forbidden.

3.1.6. GAMBLING

The gambling practice involving money or monetary values is not allowed on the Company's premises.

3.1.7. ACTIVITIES AND DEMONSTRATIONS POLICIES

Except by resolution of the Board, Personnel of the Company are not allowed to make any contribution in money, goods or services to campaigns and political causes on the Company's behalf.

The Company respects the individual right of each employee to engage in political activities. However, individual and collective manifestations within the Company's locations are prohibited, except in cases previously authorized by the executive management of the Company.

It is also established that disrespect and intimidation of someone's political position, or any kind of harassment is unacceptable.

3.1.8. HARASSMENT

Moral and sexual harassment at work is characterized by the exposure of workers to humiliating and embarrassing repetitive and prolonged situations during the workday and related to the exercise of their functions.

- i. **Moral harassment** occurs when someone is exposed to situations of humiliation during the workday.
- ii. **Sexual harassment** seeks sexual advantage or favor.

This attitude can be clear or subtle; can be spoken or only hinted at; can be explained in writing or gestures; can come in the form of duress, or also in the form of extortion.

The Company does not tolerate harassment, such as sexual, economic, moral or any other nature, or situations that constitute disrespect, intimidation or threat in the relationships between Personnel, regardless of their hierarchical level. Ethical behavior among subordinates and peers is expected as well as fair employment practices and a workplace in which all individuals are treated with dignity and respect.

The Personnel who find themselves in a situation of discrimination, humiliation or subjected to prejudice, pressure, abuse or disrespect and feel embarrassed to discuss the matter with their supervisor must report it to the Human Resources Department (if applicable) or executive management, using the reporting channels available.

3.1.9. GIFTS

Gifts are defined as items that have a value for you or the person to whom the item is offered.

Promotional items that have little and not significant or no market value, containing the Company logo will be allowed. Such items include promotional material for use in the office, such as pens, mouse pads, diaries, calendars and notebooks. Note that if any of these items are not little and has significant market value, although promotional and containing the logo of the Company, it will be considered as a not-allowed gift.

As a standard rule, the solicitation or acceptance, for personal or other benefit, business or similar opportunities that conflict with the Company's interests (via direct or indirect competition or otherwise) even if in benefit of the Company, will not be allowed. Personnel or family members may never accept bribes, kickbacks, or other types of unusual payments from any organization or individual seeking to do business with, doing business with, or competing with the Company. Executive management of the Company should be notified promptly if Personnel receive a gift.

3.1.10. PRIVILEGED INFORMATION

Confidential Information means any non-public information pertaining to the Company's business. Confidential information includes information disclosed by the Company to Personnel, and information developed and learned by Personnel during or as a result of their relationship with the Company. Confidential information includes, without limitation, information and documents concerning the Company processes, suppliers, customer lists, business strategies, profit margins, goals, objectives and projections, files, salary, staffing and employment information (including information about performance of other executives), "know-how", etc.

All Personnel should respect the confidentiality of information acquired or obtained during the course of performance of their responsibilities and never use them for personal advantage. Personnel should only disclose confidential information of the Company or third parties, when such disclosure is legally required or is otherwise authorized by the Board of Directors and the Chair of the Audit Committee. All matters relating to the media or other third parties comprising requests for information and or interviews should be sent to the Chief Executive Officer ("CEO").

3.1.11. COMPANY PROPERTY AND ASSETS

The result of the work of each employee including those related to intellectual and technical improvements, inventions, enhancements and similar devices are the Company's property. The right to use trademark and patent is exclusive to the Company. The same rule applies to any material produced by the Company, whether correspondence (including email), contracts, reports, presentations, etc.

The use of the Company's resources for private purposes is prohibited, unless specifically authorized. The Company's resources are considered as follows: funds, information technology, including electronic data, office space and supplies, vehicles, material at sites, company equipment, etc.

The Company's assets should be used in a responsible manner. It's expected from all Personnel to refrain from using assets for personal reasons, and protect Company's assets from loss, theft, misuse and waste. The misuse of assets, if confirmed, may lead to disciplinary measures and the payment of the asset by the employee.

3.1.12. USE OF ELECTRONIC INFORMATION SYSTEMS

The password to access information systems of the Company is of exclusive personal use, and it must not be granted to third parties, even if a co-worker permits it.

Software or programs should not be copied or installed on Company computers without prior authorization.

Electronic systems and computer resources are available to Personnel to support the performance of their function, being prohibited to exchange, download, store or use obscene, pornographic, violent, discriminatory, racist, defamatory files that disregard any individual or entity and are contrary to the policies and interests of the Company. Games and chain emails are also not permitted.

Users in general should have no expectation of privacy in the use of these systems and resources. The Company may, at its discretion, use and monitor any information transmitted or resident in these media. This rule covers media written or stored in an electronic information system and any other associated media. Also included is information developed technically, gained by associations, acquisition, licensing, and purchase or entrusted to the Company.

3.1.13. FRAUD AND THEFT

Fraud is considered as false or fraudulent representation by any means or device with the purpose of obtaining unfair advantage, money or other property. The term can include acts of misrepresentation, concealment, or use of false or forged information or false documents.

Theft means the subtraction of assets or any destructive act against the Company's property.

In case of suspected fraud, theft and or acts against the Company's property, a preliminary investigation will be performed by management to ascertain the facts. The report will be presented and assessed by the Audit Committee, which will decide on appropriate actions. The Audit Committee may decide to report (if not mandatory according to local laws) the fraud, theft or other unlawful act committed against the

Company's property to the competent authorities, depending on the nature of the acts investigated and evidence gathered.

In the event of theft, fraud or other actions against the Company's property, the Personnel involved must be subject to immediate termination of employment with cause.

Personnel should not influence, coerce, manipulate or mislead any auditor engaged in the performance of an audit for any reason.

3.1.14. SUPPLIERS

We must always pursue to do business with suppliers who operate under the same standard of ethics adopted by the Company and in accordance with applicable laws.

The selection and contracting of suppliers should be based on ethical, transparent, technical, professional and financial criteria, while preserving the interests of the Company, according to rules established in this Code.

It is expected of all Personnel of the Company, to exercise prudence in incurring and approving business expenses, and work to minimize them to ensure that they are reasonable and serve the Company's business interests.

It is recommended to disclose this Code to all suppliers and other Business Associates and confirm that they adhere to the guidelines and standards described in this Code.

3.1.15. ANTICORRUPTION POLICY

A corruption act is not limited to the payment of bribes or cash. Offering "anything of value" to a public official, as defined in applicable anti-corruption laws, may constitute an act of corruption. In general terms, "anything of value" means something that has value to the person to whom the advantage is offered or given, including:

- i. Gifts;
- ii. Favours;
- iii. Payments;
- iv. Job offers;
- v. Travel and entertainment, among others.

The Company does not tolerate any act of corruption, such as offering or paying bribes, direct or indirectly, or anything of value to public officials to get an unfair advantage, retain business, divert funds, property or business opportunities; or improperly using Company assets. This definition does not exclude other concepts and definitions of corruption provided for in applicable laws.

The anti-corruption laws of certain countries include some exceptions for "facilitation payments" or "hospitality expenses". Facilitation payments are typically small amounts paid to facilitate an act of office routine whose realization is required by law or involves little or no discretion, as a customs clearance. The Company prohibits such payments, unless there is prior written permission of executive management. All persons subject to this Code, including consultants and other representatives of the Company, must inform and consult the CEO to determine if such payment is authorized, even if it appears to be a normal payment or with no major consequences for the Company.

The Company does not accept any form of retaliation against individuals who in good faith report a potential violation, related to the Anticorruption Law or other matters provided concerning this Code. Current and detailed information on legal implications and compliance with Foreign Corrupt Practices Act (“FCPA”) and the Corruption of Foreign Public Officials Act (CFPOA) in Canada and the Anti-Corruption Cooperation Network (ACCN) in Finland are available online.

3.1.16. ENVIRONMENT, SOCIETY AND COMMUNITY

When appropriate, in communities where it operates, the Company seeks to support cultural, sports, educational and environment-related activities as a contribution to the development of these communities.

Protection of health, safety and environmental pollution prevention are essential goals of the Company.

All Personnel must conduct their activities and duties in accordance with applicable laws and industry standards relating to health and safety in the workplace and the prevention of significant environmental impacts.

Personnel should assist the Company in implementing or maintaining, as needed, sound environmental, safety, and occupational health management practices and conducting the Company’s business in accordance with recognized industry standards.

3.1.17. DONATION

All donations and sponsorships granted by the Company must be pre-authorized by the CEO. Donations made to charities and sponsorships can never be offered, promised or given by or on behalf of the Company if:

- i. In exchange for an act or omission of the person who receives them.
- ii. In exchange for personal advantage or benefit of a public official.
- iii. To obtain or secure business for the Company, directly or indirectly.
- iv. To obtain undue advantage.
- v. To induce or reward illegal or improper conduct.

3.1.18. COMPLIANCE WITH LAWS, REGULATIONS AND REGULATIONS

All Personnel are expected to comply with applicable laws and regulations of domestic and foreign governments, including government agencies with jurisdiction over the Company, and with applicable regulations of private or self-regulatory authorities with jurisdiction over the Company.

The Company and its Personnel are subject to laws and regulations regarding insider trading. The Company has adopted an Insider Trading Policy to prevent improper trading in securities of the Company and the improper communication of undisclosed material information of the Company.

The Company and its Personnel shall take all reasonable actions to reflect the accounting, financial and operation records of the Company in an accurate, complete and timely manner.

3.1.19. DISCLOSURE OF COMPANY INFORMATION

Personnel engaged in Investor Relations activities are responsible for providing to stock exchanges, shareholders, investors, and other relevant segments, complete, fair, accurate, timely and understandable reports and information.

3.1.20. Policies and Procedures

All Personnel of the Company are expected to comply with the Company policies and procedures applicable to their position, employment and or engagement, including and not limited to the Insider Trading Policy, Diversity and Inclusion Policy and the Whistle-blower Procedure.

In addition to complying with the laws of Canada and Finland, you must also comply with the laws of all countries in which we conduct business. Although the Company conducts its business primarily in Canada and Finland, the Company may purchase goods in a variety of countries. In countries where legal requirements and common business practices may be less restrictive than those that are customary in Canada or Finland, it is our policy to adhere to Canadian and Finnish standards.

3.2. REPORTING CODE NON-COMPLIANCE OR CONCERNS AND HANDLING CODE REPORTS

If you suspect a Code non-compliance or identify a Code non-compliance or have a question about the proper course of action in a particular situation, ask your supervisor or manager for advice.

Please do not feel uncomfortable discussing your concerns with your supervisor or with the Company's executive management. If however you feel uncomfortable, or if you are not satisfied with the response you receive to a question regarding this Code of Conduct and Ethics, or if you prefer to report anonymously your concern or suspected Code non-compliance or identified Code non-compliance, you are encouraged to contact the whistleblower hotline, in accordance with the Whistleblower Procedure, with the assurance that all such contact will be treated with appropriate confidentiality and shall be consistent with the spirit of this Code.

The Company expects that its Personnel take all reasonable steps to prevent a violation of the Code, to identify and raise potential issues before they lead to problems, and to seek additional guidance when necessary. Any violations of the Code may result in disciplinary action, up to and including termination, as applicable.

The Company will handle all inquiries and suspected Code non-compliance Reports discretely and make every effort to maintain, within the limits allowed by law, the confidentiality of anyone who requests such treatment when requesting guidance or reporting questionable behavior or other matters of concern under the Code. If an individual prefers to make an inquiry or report anonymously, he or she must provide enough information about the incident or situation to allow the Company to investigate properly. If an individual raises an issue or concern and he or she does not believe such issue or concern has been addressed, such individual should raise it with another of the contacts described above.

No coercive or retaliation measure or threat may be taken against any person for asking questions, voicing concerns, or making complaints or suggestions in conformity with the procedures described in this Code, unless there is evidence that the individual acts with willful disregard of the truth.

All suspected Code non-compliance Reports and identified Code Violation received by management in

accordance with this Code or the Whistleblower Procedure will be escalated to the Board of the Company. The Board shall promptly determine, or designate appropriate person or persons responsible to handle the investigations of the Code Reports and to recommend measures to be taken in the event of violations of the Code. Taking into consideration the matter and persons involved in the Code Report, the Board may designate the handling of the Code Reports to the Chief Executive Officer of the Company, the Chair of the Audit Committee, or the Chair of the Environmental, Social and Governance Committee or external counsel. In determining what actions are appropriate in a particular case, the Board (or its designee) shall act consistently and take into account relevant information including the nature and severity of the violation, whether the violation was a single occurrence or a series of repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action, and whether or not Personnel in question had committed other violations in the past.

Any waiver of this Code of Conduct and Ethics may be made only by the Board of the Company. Any waiver of the code in a material respect for any director or executive officer of the Company must be disclosed in a material change report as may be required under applicable regulations.

It is the Company's intention that this Code be consistent with the Canadian National Policy 58-201 – Corporate Governance Guidelines, complying with the guidelines set forth in Section 3.8 of such national policy.

4. ROLES AND RESPONSIBILITIES

The CEO of the Company is responsible for the compliance and implementation of this Code. The Board members and the Chair of the Audit Committee and the Chair of the Environmental, Social and Governance Committee, are responsible for overseeing the effective implementation of this Code.

Personnel should report any concern, or suspected Code non-compliance or identified Code violation to Management, Internal Audit or via the Whistleblower hotline, in accordance with section 3.2 of this Code and the Whistleblower Procedure.

5. EXCEPTIONS

There are no expected exceptions to this Code. Therefore, any exception should be approved by the CEO, after consulting with the Chair of the Audit Committee, the Chair of the Environmental, Social and Governance Committee or the Board of Directors.

6. MAINTENANCE AND REVIEW

This Policy has been approved by the Board of the Company. It is administered by the CEO and will be reviewed for updates every 2 years, unless a change in laws and regulations requires an earlier amendment. Any proposed revisions to the policy will be approved by the Board, as needed.