



CODE OF BUSINESS CONDUCT AND ETHICS

PURPOSE

The purpose of this Code of Business Conduct and Ethics (referred to as "Code") is to establish the standards of conduct and ethics that Karbonate Minerals Corp. (referred to as the "Corporation") and its subsidiaries and affiliates expect all its directors, officers, employees, and key consultants (those engaged in an employee-like capacity) to adhere to. The Code applies to all forms of communication, including interpersonal and electronic communication.

The purpose of this Code is to promote ethical conduct and compliance with applicable laws and regulations, as well as to:

- Reinforce the Corporation's commitment to full compliance with the Corruption of Foreign Public Officials Act and local anti-bribery or anti-corruption laws;
- Encourage fair dealing with customers, suppliers, competitors, and other third parties;
- Prevent conflicts of interest and ensure their disclosure;
- Ensure full, accurate, and timely disclosure in reports and documents submitted to regulatory authorities;
- Ensure compliance with applicable laws and regulations, including those of the Toronto Stock Exchange if applicable;
- Encourage prompt reporting of any violations of this Code;
- Promote accountability for adherence to this Code and applicable laws and regulations;
- Provide guidance to personnel on ethical issues and foster a workplace free from bullying and harassment;
- Establish mechanisms to report unethical or inappropriate conduct; and
- Foster a culture of honesty and accountability.

This Code does not encompass all of the Corporation's policies or Personnel's obligations under relevant laws and regulations. Rather, it offers general guidance for addressing ethical and legal matters that arise in the Corporation's operations.

All Personnel are expected to comply with the principles outlined above and the more detailed provisions set forth below. Any violation of applicable laws, the Corporation's governance policies, or this Code by Personnel may result in disciplinary action, up to and including immediate termination of employment, without limitation.

BASIC OBLIGATIONS

Personnel of the Corporation are expected to uphold certain ethical standards, including the following responsibilities:

- I. Familiarize themselves with applicable laws, rules, regulations, and this Code, and conduct business in compliance with them;
- II. Treat all colleagues, customers, and business partners of the Corporation with honesty and fairness;
- III. Avoid situations where their personal interests may conflict with those of the Corporation;
- IV. Protect and use appropriately the Corporation's confidential information, assets, and resources, as well as those of its business partners.

FAIR DEALING

In accordance with the Corporation's values, Personnel must conduct business with integrity and treat all customers, suppliers, competitors, and third parties fairly and honestly. Corruption refers to the abuse of public power for personal gain or the misuse of entrusted power for private advantage. Bribery involves offering, promising, or providing cash, gifts, or other benefits to someone in a position of trust to influence their views or actions or to gain an improper advantage. There are various forms of bribery and corruption, such as offering or accepting kickbacks, improper payments, or gifts:

- Cash payments;
- Phony jobs or “consulting” relationships;
- Kickbacks;
- Political contributions;
- Charitable contributions;
- Social benefits; or
- Gifts, travel, hospitality, and reimbursement of expenses.

When dealing with customers and suppliers, the Corporation:

The following are the provisions regarding bribery and unfair dealing under the Corporation's Code:

It is prohibited to offer, promise, pay, or authorize bribes, kickbacks, or any improper payment, direct or indirect, to any representative of government, labor union, customer or supplier in order to obtain a contract, commercial benefit, government action, or to cause a person to violate their legal or official duty or to influence their actions or decisions.

Personnel are prohibited from accepting any bribe, kickback or improper payment from anyone.

Gifts of more than modest value to or from suppliers or customers are prohibited.

Marketing and client entertainment expenditures are limited to those that are necessary, prudent, job-related and consistent with the Corporation's policies.

Clear and precise communication is required in the Corporation's contracts, advertising, literature, and other public statements to eliminate misstatements of fact or misleading impressions.

All invoices to customers must accurately reflect the sale price and terms of sales for goods sold or services rendered.

Personnel are prohibited from taking unfair advantage of the Corporation's customers or suppliers, or other third parties, through manipulation, concealment, abuse of privileged information or any other unfair-dealing practice.

CONFLICTS OF INTEREST

Personnel should not engage in any activity, practice, or act that creates or appears to create a conflict of interest with the best interests of the Corporation or its partners. Such a conflict arises when a Personnel finds themselves in a position where their personal interests are in conflict with the Corporation's interests or have a negative impact on their job performance.

Examples of such conflicts may include but are not limited to:

- Accepting payment or employment from an organization that does business with the Corporation or is a competitor of the Corporation;
- Competing with the Corporation in the purchase or sale of property, services, or other interests or taking personal advantage of a Corporation's opportunity;

- Having a financial interest in a firm that does business with the Corporation or is a partner, supplier or customer of the Corporation;
 - Seeking or accepting personal loans or services from any entity that does business with the Corporation, except financial institutions or service providers offering similar loans or services to third parties under comparable terms in the regular course of business;
 - Accepting personal loans or guarantees of obligations from the Corporation, except when legally permissible; and
 - Having a financial interest, including significant share ownership, in a transaction involving the Corporation or a customer, business partner or supplier.
2. Personnel must avoid situations where their personal interests conflict with the interests of the Corporation. If the Corporation finds that any outside work or activity of a Personnel hinders their performance or ability to meet the Corporation's requirements, they may be required to terminate the outside work to continue employment. To protect the interests of both the Corporation and Personnel, any activity that may potentially or seemingly create a conflict of interest must be disclosed to the Corporation by the Personnel and be reviewed and approved by the Corporation's management or another authorized party.

CONFIDENTIALITY CONCERNING CORPORATE AFFAIRS

Personnel are required to maintain the confidentiality of information they receive from the Corporation, its customers, and suppliers in the course of their work, unless they have received express approval from a designated officer of the Corporation or are legally obligated to disclose such information. Confidential information includes non-public proprietary information that could be harmful to the Corporation, its Personnel, customers, suppliers or business partners if disclosed or used by competitors.

Furthermore, Personnel must not disclose or use any proprietary information or trade secrets belonging to their former employer or other person or entity with whom they have confidentiality obligations. This obligation to protect confidential information extends beyond the termination of their employment with the Corporation.

DISCLOSURE

The Corporation is dedicated to providing comprehensive, accurate, and timely disclosure in all reports and communications that it files with or provides to Canadian regulatory authorities, as well as other public communications. The Disclosure Policy, which aims to increase the awareness of the Corporation's disclosure approach among Personnel and authorized representatives, supports this goal.

The Disclosure Policy applies to all Personnel and authorized representatives who speak on behalf of the Corporation. It covers disclosures made in documents filed with or furnished to securities regulators, as well as written statements included in the Corporation's quarterly and annual reports, news releases, letters to shareholders, presentations by senior management, and electronic communications on the Corporation's website or other platforms. The policy also extends to verbal statements made in meetings or phone conversations with members of the investment community, including analysts, investors, investment dealers, brokers, investment advisers, and managers, as well as interviews with the media, speeches, conference calls, and social media posts.

All Personnel are required to sign an acknowledgement of the Disclosure Policy as a condition of their employment. This acknowledgement is typically provided to new hires before or after their start date and is available on the Corporation's network or from the Chief Financial Officer.

ACCURACY OF CORPORATE RECORDS

The Corporation is obligated to maintain accurate financial records and publicly report them in accordance with International Financial Reporting Standards ("IFRS"). The books and records of the Corporation and its subsidiaries and affiliates must accurately record the amount and description of all transactions. Personnel have the responsibility to ensure that there is a reasonable correlation between the substance of a transaction and how it is recorded in the Corporation's books and records.

Thus, Personnel are accountable for ensuring the precision of all books and records under their control and complying with all Corporation policies and internal controls. Any Corporation information must be reported accurately, whether in internal personnel, safety, or other records or in information that the Corporation discloses to the public or files with, or furnishes to, Canadian regulatory authorities.

FINANCIAL REPORTING AND DISCLOSURE CONTROLS

The Corporation must regularly file reports with certain Canadian regulatory authorities and make public communications. To comply with regulatory requirements, the Corporation must have effective "disclosure controls and procedures" in place to ensure that financial and non-financial information is reported accurately and on time. Personnel are responsible for supporting the effectiveness of these disclosure controls and procedures within the scope of their employment duties. This includes ensuring the accuracy and completeness of the information they provide and complying with all relevant policies and internal controls.

COMPLIANCE WITH ALL LAWS, RULES AND REGULATIONS

The Corporation is dedicated to adhering to all relevant laws, rules, and regulations, which includes laws and regulations concerning the Corporation's securities and trading activities involving such securities, as well as any rules established by any exchange on which the Corporation's shares are listed or traded.

HEALTH AND SAFETY

The Corporation is dedicated to ensuring a safe, secure, and healthy work environment for its personnel and others. It abides by all relevant laws and regulations governing workplace safety and health. It expects all personnel to foster a positive work environment and to abide by the Corporation's Health, Safety & Sustainability Policy as well as all rules related to workplace conduct and safety. Personnel are required to immediately report any unsafe or hazardous conditions or materials, injuries, accidents, or activities that jeopardize corporate security to a senior officer of the Corporation. Personnel must not work under the influence of any substances that could impair their own or others' safety. Any threats or acts of physical violence or intimidation are strictly prohibited.

PROTECTION AND PROPER USE OF THE CORPORATION'S ASSETS

Personnel are responsible for safeguarding the Corporation's assets and ensuring their efficient use. The Corporation's assets, which encompass various items including time at work, work product, equipment, vehicles, computers and software, trading and bank accounts, company information, reputation, trademarks, and name, must be protected from loss, damage, theft, misuse, and waste. The Corporation's telephone, email, Internet, and other electronic systems are intended for business purposes primarily, and personal communications via these systems should be limited. Personnel must also exercise discretion in incurring and approving business expenses, striving to minimize them while ensuring that they are reasonable and align with the Corporation's business interests.

RESPECT FOR THE CORPORATION'S PERSONNEL

The Corporation will make employment decisions based on legitimate business-related reasons, such as job performance, individual skills and abilities, and other relevant business factors. Adherence to all federal, state, provincial, or other local employment laws is mandatory under Corporate policy. Furthermore, in addition to any requirements

specified by the laws of a particular jurisdiction, Corporate policy expressly prohibits any form of employment discrimination based on race, color, religion, sex, national origin, disability, or age as defined by applicable laws.

ABUSIVE OR HARASSING CONDUCT PROHIBITED

The Corporation strictly prohibits any form of abusive or harassing behavior by its Personnel towards others, including but not limited to unwelcome sexual advances, comments based on ethnicity, religion, or race, as well as any non-business-related personal comments or conduct that makes others uncomfortable in their employment or engagement with the Corporation. The Corporation encourages and expects all Personnel to report any incidents of harassment or inappropriate conduct immediately upon occurrence.

BULLYING AND HARASSMENT

The Corporation is committed to providing a work environment that is free from bullying and harassment, and supportive of the productivity, dignity, and self-esteem of all employees. The Corporation has a zero-tolerance policy towards bullying and harassment and is dedicated to preventing, where possible, or minimizing such behaviors. Bullying and harassment can include any inappropriate conduct or comment directed towards a worker that the perpetrator knew or should have known would cause the worker to feel humiliated or intimidated. It can also encompass any unwelcome or objectionable conduct or comment that would be considered discriminatory under the Ontario Human Rights Code. However, reasonable actions taken by an employer or supervisor related to the management and direction of workers or the place of employment are excluded. Examples of behaviors that may constitute bullying and harassment include verbal aggression, insults, derogatory name-calling, harmful hazing or initiation practices, vandalizing personal belongings, and spreading malicious rumors. Sexual harassment can include unwanted physical contact, such as touching, patting, pinching, and hugging, sexual advances with actual or implied work-related consequences, and sexual jokes, innuendos, or horseplay.

The above definitions and examples are intended to provide general guidance and are not exhaustive. Personnel are expected to refrain from engaging in any bullying or harassing behaviors towards other Personnel and to report any incidents of bullying and harassment that they observe or experience. Any Personnel found to have bullied or harassed another person may face disciplinary action, up to and including termination of employment or other business relationships. Due to the seriousness of such allegations, malicious and unfounded complaints may also be subject to disciplinary action, up to and including termination of employment or other business relationships.

PRIVACY

The Corporation, and companies and individuals authorized by the Corporation, collect and maintain personal information that relates to its Personnel, including compensation, medical and benefits information. The Corporation follows procedures to protect information wherever it is stored or processed, and access to the personal information of its Personnel is restricted. Personal information will only be released to outside parties in accordance with the Corporation's policies and applicable legal requirements. Personnel who have access to personal information must ensure that personal information is not disclosed in violation of the Corporation's policies or practices.

DUTY TO REPORT SUSPECTED CODE VIOLATIONS

The Corporation holds its Personnel accountable for preventing any violation of this Code by taking responsible steps to identify and report potential issues before they escalate. If a Personnel member witnesses or discovers any violation of this Code or any applicable law or regulation by anyone associated with the Corporation, they are responsible for reporting the matter immediately and cooperating with any investigation conducted by the Corporation. This Code encourages open communication and provides a platform for Personnel to report potential violations in good faith without fear of retaliation. For guidance on compliance matters and reporting actual or potential infractions, Personnel can refer to the "Procedures for Receipt of Complaints and Submissions Relating to Ethical Conduct and Accounting Matters" (see Appendix 'A' attached hereto).

RELATIONSHIP TO OTHER POLICIES

Personnel are expected to adhere to all Corporation policies. However, if a person is a director, they must follow not only this Code, but also the Mandate of the Board and the Directors' Code of Ethics when carrying out their duties as a director. If a person is a Senior Financial Officer, they must follow not only this Code, but also the Code of Ethics for Senior Financial Officers when carrying out their duties as a senior financial officer. If a person is a member of a committee of the Board, they should follow the applicable committee charter(s) when carrying out their duties on such committee. If there is any conflict between these policies and this Code, the terms of this Code will take precedence.

WAIVERS AND AMENDMENTS

This Code may only be amended or waived by the Board. If anyone wishes to request such a waiver, they should submit a written request to the attention of the Chair of the Board

for full consideration by the Board. The Corporation will disclose any substantive amendments or waivers of this Code granted to directors or officers by the Board to the appropriate regulatory authorities in accordance with applicable Canadian securities laws, regulations, and exchange rules on which the Corporation's securities are listed or quoted for trading.

NO RIGHTS CREATED

This Code outlines the essential principles, policies, and procedures that guide the Corporation's operations. It is not meant to, nor does it create an employment agreement, provide a guarantee of ongoing employment, or establish any rights for employees, directors, clients, suppliers, competitors, shareholders, or any other individuals or entities.

APPENDIX A

Procedures for Reporting Ethical Conduct, Bullying, Harassment, and Accounting Matters

Karbonate Minerals Corp. (the "Corporation") requires its directors, officers, employees, and key consultants (referred to collectively as "Personnel") to prevent any violations of the Code of Business Conduct and Ethics (the "Code"), to report potential issues, and to seek guidance when necessary. These procedures provide a means for Personnel to report potential or actual violations of ethical conduct, bullying, harassment, or accounting matters.

The objective of these procedures is to create an environment of open communication for compliance issues and to ensure that Personnel who act in good faith have a way to report any potential violations.

REPORTING RESPONSIBILITY

If any of the Corporation's Personnel become aware of or observe an actual or potential violation of the Code, or any applicable law or regulation (including securities laws and regulations), whether committed by the Corporation's Personnel or external parties with whom the Corporation has contracted, it is their responsibility to promptly report the circumstances as outlined in these Procedures and cooperate with any investigation by the Corporation. Personnel must also report any concerns they have regarding questionable accounting, internal financial controls or auditing matters in accordance with these Procedures. Schedule "A" to these Procedures provides examples of issues that should be reported.

NO RETALIATION AND ACTING IN GOOD FAITH

The Corporation strictly prohibits any form of retaliation or adverse action against anyone for reporting suspected violations of conduct or assisting in resolving such concerns. Any Personnel found to have engaged in retaliation against another for raising a conduct concern in good faith or for participating in its investigation may be disciplined, up to and including termination of employment or business relationship. If anyone believes they have been subjected to such retaliation, they are encouraged to report the situation immediately to the individuals specified in the "Reporting Procedures" section below.

Anyone who files a complaint regarding a violation or suspected violation of the Code or reports concerns about accounting and auditing matters must do so in good faith and have reasonable grounds to believe that the disclosed information indicates a violation of the Code. Any allegations found to be baseless and made maliciously or knowingly false will be considered a serious disciplinary offense and may be subject to legal and civil action in addition to employment review.

REPORTING PROCEDURES

Personnel who require help with compliance matters or need clarification on how to report actual or potential compliance infractions should reach out to the Corporation's Chief Financial Officer.

GENERAL COMPLIANCE MATTERS

Personnel who wish to report alleged violations of this Code may do so by submitting a written report to the Chair of the Corporation's Corporate Governance and Nominating Committee (the "Governance Committee") in a sealed envelope labeled with a legend such as "To be opened by the Corporate Governance and Nominating Committee only, being submitted pursuant to the Code of Business Conduct and Ethics." Personnel may deliver the sealed envelope directly to the Governance Committee or through any officer of the Corporation, who must promptly pass it on to the Chair of the Governance Committee. The submission may be made confidentially.

COMPLIANCE RELATED TO FINANCIAL AND ACCOUNTING MATTERS

If Personnel become aware of a violation of the Code or any applicable law or regulation, including securities laws and regulations, involving accounting, internal accounting

controls, or auditing matters, they may report it to the Complaints Officer designated by the Corporation's Audit Committee, or if no one is designated, the Chair of the Audit Committee, using the confidential reporting procedures described above.

Officers and directors who become aware of any violation of the Code should promptly report them to either the Chair of the Governance Committee, following the same procedures for confidential reporting as above, or the Complaints Officer or Chair of the Audit Committee, depending on the nature of the violation.

When reporting a violation, the individual should provide relevant supporting documents, such as emails, handwritten notes, photographs, or physical evidence.

The report should include the names of the parties involved, any witnesses, the location, date and time of the incident, details of the incident, and any additional information that would aid in the investigation.

Personnel may submit violations anonymously, and the Chair of the Governance Committee or Complaints Officer (as applicable) will acknowledge receipt of the report within five business days, provided it is not malicious or knowingly false.

COMPLAINTS OFFICER

Management of the Corporation shall inform all Personnel of the name of the designated Complaints Officer at least once a year via email. The Complaints Officer must maintain the confidentiality of any complaints or submissions received and keep the identity of the complainant anonymous. The Complaints Officer must report to the Audit Committee as frequently as deemed necessary, but at a minimum on a quarterly basis during the Audit Committee's meetings to approve interim and annual financial statements of the Corporation.

HANDLING OF REPORTED VIOLATIONS

Once the Governance Committee or the Complaints Officer receives a report of a potential violation, they will bring the matter to the Audit Committee or the Board, as they deem appropriate. The Committee will investigate the alleged violation(s) and take necessary steps, such as notifying the accused party and implementing revisions to workplace procedures to prevent future Code violations.

The Corporation will keep reports of violations or suspected violations confidential to the extent possible, as necessary for a thorough investigation.

The Complaints Officer, Chair of the Audit Committee, or Chair of the Governance Committee will keep a record of each complaint or submission for a minimum of six years after its resolution.

INVESTIGATION OF REPORTED VIOLATIONS

Upon receipt of any complaints submitted pursuant to this policy, the applicable committee of the Board, whether the Governance Committee or the Audit Committee, will promptly and diligently investigate each matter and recommend corrective disciplinary actions to the Board, if appropriate, up to and including termination of employment. The investigations will be fair and impartial, treating both the complainant and the respondent equally when evaluating the allegations, and they will be as thorough as necessary, given the circumstances. The investigations will also be sensitive to the interests of all parties involved and maintain confidentiality. This will include finding facts and evidence, including interviews of the complainant, respondent, and any witnesses. If requested, the investigations will incorporate any necessary or requested assistance from the complainant or respondent during the investigation process.



John Kearney

Director

Karbonate Minerals Corp.