



PROCEDURES FOR RECEIPT OF COMPLAINTS AND SUBMISSIONS RELATING TO ETHICAL CONDUCT BULLYING, HARASSMENT AND ACCOUNTING MATTERS

This document outlines the processes for receiving complaints and submissions related to ethical conduct, bullying, harassment, and accounting matters at Karbonate Minerals Corp (referred to as "the Corporation"). The Corporation expects all directors, officers, employees, and key consultants (those engaged in an employee-like capacity) (referred to as "Personnel") to take responsible measures to prevent violations of its Code of Business Conduct and Ethics (referred to as "the Code"), identify and address potential issues before they escalate, and seek additional guidance when necessary.

The purpose of these procedures is to foster an open communication environment for compliance issues and to ensure that Personnel can report actual or potential violations in good faith without fear of retaliation.

REPORTING RESPONSIBILITY

If any Personnel become aware of an actual or potential violation of the Code or any applicable laws or regulations (including securities laws and regulations), whether committed by Personnel or external parties contracted with the Corporation, it is their duty to report the matter promptly as outlined in these procedures and to cooperate with any ensuing investigation conducted by the Corporation.

Moreover, Personnel who have concerns related to questionable accounting, internal financial controls, or auditing matters should also report such concerns in accordance with the outlined 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 Personnel from engaging in retaliatory or adverse actions against anyone who reports or helps resolve a conduct concern in good faith. Any individual found to have engaged in retaliation against Corporation Personnel for reporting a conduct concern or participating in an investigation may face disciplinary action, up to and including termination of employment or other business relationship. If

an individual believes they have been subjected to such retaliation, they are encouraged to report the situation as soon as possible to one of the individuals identified in the "Reporting Procedures" section below.

In addition, anyone filing a complaint or reporting concerns regarding a violation or suspected violation of the Code, accounting, or auditing matters must act in good faith and have reasonable grounds to believe that the disclosed information indicates a violation of the Code. Any allegations that are unsubstantiated and prove to have been made maliciously or knowingly false will be treated as a serious disciplinary offense and may result in legal and civil action, as well as employment review.

REPORTING PROCEDURES

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

GENERAL COMPLIANCE MATTERS

Personnel may submit written reports of suspected violations of this Code on a confidential basis to the Chair of the Corporation's Corporate Governance and Nominating Committee (the "Governance Committee"). The envelope containing the report should be labelled with a statement such as "To be opened by the Corporate Governance and Nominating Committee only, being submitted pursuant to the Code of Business Conduct and Ethics" and can be submitted directly or through any officer of the Corporation. Any officer who receives such a report shall promptly pass it on to the Chair of the Governance Committee.

COMPLIANCE RELATED TO FINANCIAL AND ACCOUNTING MATTERS

If Personnel perceive any violations of the Code related to accounting, internal accounting controls, or auditing matters or have concerns about questionable accounting or auditing matters, they may submit reports of such violations to the individual designated by the Corporation's Audit Committee (the "Audit Committee") to receive complaints and submissions regarding such matters (the "Complaints Officer"). If the Complaints Officer is not designated at that time, Personnel may submit such reports to the Chair of the Audit Committee. Personnel may submit these reports on a confidential basis in envelopes labelled similarly to those described above or through any officer of the Corporation, who shall promptly pass it on to the Complaints Officer or Chair of the Audit Committee.

Officers and directors who become aware of any violation of the Code shall promptly report them to either i) the Chair of the Governance Committee openly or confidentially (as described above) or ii) the Complaints Officer or Chair of the Audit Committee, in cases as described above.

When reporting any actual or potential violation of the Code, the individual should provide relevant supporting documents such as e-mails, handwritten notes, photographs, or physical evidence.

Any report of an actual or potential violation of the Code should include at least the following information:

- Names of the parties involved.
- Any witnesses to the incident(s).
- The location, date, and time of the incident(s).
- Details about the incident, including behavior and/or words used.
- Any additional details that could aid in the investigation.

Complainants may submit violations or suspected violations on a confidential basis or anonymously. If not submitted anonymously, the Chair of the Governance Committee or Complaints Officer (as applicable) will acknowledge receipt of the report within five business days.

COMPLAINTS OFFICER

Annually, the Corporation's management shall disseminate an e-mail to all Personnel stating the name of the Complaints Officer for the following period. The Complaints Officer must maintain the confidentiality of any complaints or submissions received and keep the identity of employees making complaints or submissions confidential. The Complaints Officer shall report to the Audit Committee as frequently as they deem necessary, but at least quarterly at the Audit Committee's meeting held to approve the Corporation's interim and annual financial statements.

HANDLING OF REPORTED VIOLATIONS

Upon receipt of a report from the Chair of the Governance Committee or the Complaints Officer, the relevant committee of the Corporation's Board of Directors (the "Board") shall review the report and take appropriate action, which may include initiating an investigation of the alleged violation(s). Additionally, the committee may consider advising the alleged subject of the report and reviewing workplace procedures to prevent future violations of the Code.

All reports of violations or suspected violations will be kept confidential to the extent possible, in order to conduct an adequate investigation.

The Complaints Officer, Chair of the Audit Committee, or Chair of the Governance Committee (as applicable) shall maintain a record of the complaint or submission for a period of six years following the resolution of the complaint or submission. The management of the Corporation will inform employees of this retention policy.

INVESTIGATION OF REPORTED VIOLATIONS

Upon receiving any complaints submitted in accordance with the Code, the Governance Committee or the Audit Committee, as applicable, will conduct a prompt and diligent investigation into each matter and make recommendations for corrective disciplinary actions to the Board, if warranted, which may include termination of employment. The investigations will be thorough and fair, treating both the complainant and respondent equally in evaluating the allegations. The process will be sensitive to the interests of all parties involved, ensuring confidentiality. The investigations will focus on finding factual evidence, including interviewing the complainant, respondent, and any witnesses. If necessary, the investigation will incorporate any requests from the complainant or respondent for assistance during the process.

Examples of Matters to be Reported

- Fraud and theft
- Accounting irregularities and financial statement disclosure issues
- Non-compliance with internal accounting controls
- Discrimination, bullying, and harassment
- Falsification of company records
- Release of proprietary information
- Safety and security violations
- Violations of securities laws, including insider trading
- Breaches of other applicable laws, including environmental, employment, health and safety laws
- Ethics violations.



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Director

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