



Imperial Mining Group Ltd.

CORPORATE SUSTAINABILITY POLICY



Peter J. Cashin, President & Chief Executive Officer



It is with great pleasure that I present to you our Sustainability Policy which presents the guidelines and directives Imperial's directors, officers, employees and contractors will be held to respect and implement throughout all of their activities and duties related to the Corporation and the development of its projects.

For Imperial Mining Group Ltd, sustainability is about ensuring that our business is fully and transparently accountable for social, environmental and economic management of risks and opportunities. We will build a corporate social balance sheet with benefits and shared value creation for all shareholders and stakeholders. Implementing environmental initiatives, sustainability practices and strong governance is the baseline that underpins all of our stakeholder relationships.

Thank you for taking the time to read and comprehend our policy views.

Donald S. Bubar, Chairman of the Board



Promoting excellence in sustainable practices is critical to a resource company's success in today's environmentally and socially conscious society. Acting sustainably provides a strategic advantage, aligning the company with its stakeholders' values, and reducing risk of delays in receiving project approvals and permits. It also aligns the Company with its cleantech customers who want to ensure that their critical materials needs are sourced from environmentally and socially responsible operators.

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Imperial Mining Group’s target is to build a “Corporate Social Balance Sheet”, delivering a Sustainable ROI (SROI) to all communities, shareholders and stakeholders.

Imperial Mining Group’s Integrated Sustainability Values



I. INTRODUCTION

a. What Does Sustainability Mean?

A word often used, we thought the best way to introduce Imperial Mining Group's Policy for Sustainability was to share two definitions we believe accurately reflect the true meaning of the word.

“Sustainability is the process of change, in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations”

[“What is Sustainability” - <http://www.globalfootprints.org/sustainability>]

This is the baseline Imperial Mining Group is setting for itself, against which all of its policies, programs, principles, behaviours and reporting will be benchmarked.

Underpinning the concept of Sustainability are three interdependent and mutually reinforcing pillars: the Social, Economic and Environment pillars. These pillars jointly constitute what is commonly known today as the “triple bottom line”. At Imperial Mining Group, we would like to suggest adding a fourth pillar that of “*Future Generations*”, as we believe that emphasizing the long-term perspective enhances exponentially the true meaning of Sustainability.

Mining is a long-term business. It begins with staking a claim and ends when the surrounding environment has been rehabilitated and re-purposed for future sustainable use. So how does Imperial Mining Group and its whole team apply these principles to their own mining business?

b. Imperial Mining Group's Global Approach and Commitment to Sustainability

How does Sustainability fit into the Mine Lifecycle for Imperial Mining Group? At every step of the way, from the very early days of exploration to mine development, construction and operations, through to post-mine closure, it is critical that the principles of sustainability be applied into every single business decision and that shared value be created for all.

To deliver this sustainable business strategy Imperial Mining Group will focus over the long term on measurable and sustainable environmental, social and governance (ESG) performance.

Imperial Mining Group believes that ESG performance is reflective of leadership, risk management capacity and responsible business practice. It is our intention to do this at every

single stage-gate, with the support and cooperation of host communities and key stakeholders. We shall manage our risks, address the gaps and develop opportunities to ensure that we share value and engage all of stakeholders.

Sustainability is core to Imperial Mining Group's global strategy and a key component of every aspect of its business. Our priority will be to build and maintain respectful and trustworthy relationships with all of our employees as well as all those in the communities surrounding our projects and the stakeholders who are part of the process.

Our key focus in developing Imperial Mining Group's assets is the land that we work on, the air, the water as well as the biodiversity. We will endeavour to keep our carbon footprint at the lowest possible level, and responsibly and transparently set targets, track and report on the results, in an on-going effort for continuous improvement and best-in-class performance.

Sustainability for Imperial Mining Group and its whole team also means focussing on empowering, training and building capacity, as well as targeting the importance of environmental stewardship for the long term, well beyond the life of the mine projects.

In order to ensure we achieve these goals, as we progress through the mine lifecycle, Imperial Mining Group also commits to following the guidelines established by leading Canadian industry associations; *e3 Plus- A Framework for Responsible Exploration (PDAC)*, *Towards Sustainable Mining (MAC)*, as well as ISO 14000, OHSAS 18001, Global Reporting Initiatives.

Ultimately, Imperial Mining Group's target is to deliver sustainable value for its people, stakeholders and host communities. It is focussing on a strong sustainable business and social balance sheet: it is about mining the right way and doing business for a better future.

Imperial Mining Group is still in the early phases of its project lifecycle. But already we are looking to lay the ground and foster new relationships, understand the landscape and engage with communities and stakeholders. We focus on open, honest and transparent communications right from the start, setting the tone for engaging as we transition to development and then further activities.

II. OUR PEOPLE

No matter what our portfolio of minerals may be, our single most precious asset is our people. As we grow, we will foster policies that favour full diversity and inclusion, highlight attracting and retaining experienced and skilled talent with a culture that prioritizes safety and supports people to reach their full potential. We will build training programs that underlie our principles, to offer opportunities to grow and develop for all employees and encourage participation of our communities.

Through employment and business development opportunities, training and education, cultural heritage support, and cross-cultural awareness training, we aim to improve our understanding of and create benefits for Indigenous peoples.

III. OUR COMMUNITIES

Creating shared value at the earliest stages of the mine lifecycle is fundamental to building and maintaining the community relationships necessary to ensure responsible mining is sustainable. As Imperial Mining Group develops its projects it will focus on forging relationships with all communities and stakeholders.

Mining, without creating shared value and partnering with all of our stakeholders, makes little sense in today's society. Imperial Mining Group commits to managing the resources it uses to build a sustainable and responsible business, while also creating shared value with the communities that host our operations.

How do we create this shared value? Our targets are to:

- ✓ **Engage early and often with local indigenous communities to create transparency and opportunities for participation in the benefits of resource development through job creation, training, and identifying new business opportunities**
- ✓ **Participate in new infrastructure development**
- ✓ **Reinforce social improvements (health, education, youth, women and elders, etc.)**
- ✓ **Monitor continuously to ensure that impacts are always mitigated, and benefits remain in place for the long-term and the next generations**

Imperial Mining Group recognizes the unique rights and social, economic and cultural heritage of the Indigenous communities. We also understand our responsibility to contribute toward long-term economic prosperity and social well-being through job creation, local sourcing of goods and services, and community investments. Imperial is committed to a strong governance structure, including multi-stakeholder engagement, which increases accountability, develops trust and creates shared value.

As we engage into our exploration activities in the North we recognize that we are working on or adjacent to land traditionally used by Indigenous peoples. Imperial Mining Group is committed to respecting and acknowledging the past and present traditional users of the land on which our activities will reside, focusing on listening and learning from Indigenous traditional knowledge. They are our partners and we will engage with them to manage our risks and identify opportunities, to build relationships based on trust.

Economics

Environmental Stewardship

Social Responsibility

SROI



Stable, Secure Supply



Reduced Business Risk



Materials for Clean Technology



Profitability



Community Engagement

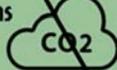


Minimize Waste



Small Footprint

Reduced GHG Emissions



Protect Biodiversity



Rehabilitation & Beneficial Reuse



Indigenous Partnerships



Clean Water



Training & Jobs



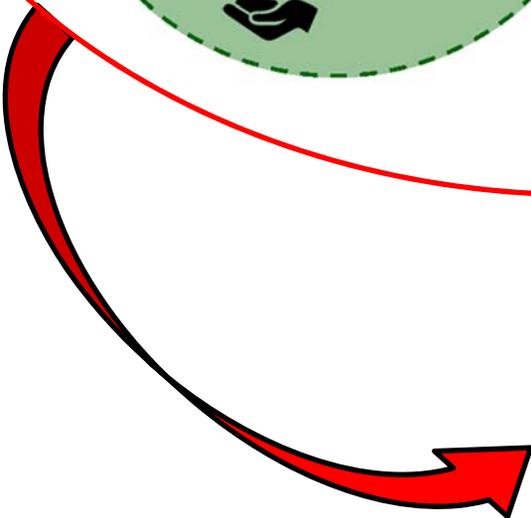
Health & Safety



Support Local Initiatives



Future Generations



Each one of our projects will be required to develop plans that promote local employment and skills development, diversity of the workforce, small business development and sustainable business opportunities. The leadership team will review these plans on a regular basis, to ensure alignment and to identify opportunities for improvement.

Wherever and whenever possible, we will hire locally and source from local suppliers. Local employment and procurement are important tools to help mitigate risk and maximize opportunities by building community and government support, reducing costs, improving efficiencies and creating a more inclusive and diverse workplace.

As Imperial Mining Group progresses through exploration to development and eventually construction, we will encourage all of our suppliers and contractors to implement our own commitments to meet our community requirements. In the event that there are gaps, we undertake to work with all the relevant stakeholders and suppliers and contractors – to develop the skills and capacity to become employed.

IV. HEALTH, SAFETY & WORKPLACE

Safety: Our target, as we embark on the path of project exploration and development: zero harm and a workplace free of injuries and occupational illnesses. This is our vision, for our own people and all those who work on and around our sites. Effectively managing the safety risks inherent in our business is essential to protecting our workforce and the communities in which we operate. As we progress through the different stages of the projects' lifecycle, Imperial Mining Group is committed to focus on the risks associated with hazards related to our activities, and develop the policies required.

To create a safe working environment requires the commitment of all of our people to demonstrate leadership in safety. As we grow our team, build capacity and engage various contractors our priority will be safety, injury and fatality prevention.

Some of our guiding principles, which we will develop as we develop our projects will include:

- ✓ **Individual accountability for one's own safety, as well as the safety of the people around them**
- ✓ **Managing hazards and risks as a priority to carrying out tasks**
- ✓ **Providing safety training to all new employees and safety briefings on a regular basis**

Health: From exploration through closure, Imperial Mining Group understands that there are health risks associated with exposures to chemicals, dust and noise; repetitive, forceful or vibrating motion. At the outset the Company will put in place the safeguards required to identify,

monitor, and minimize health risks. Imperial Mining Group will commit to protect the health and wellbeing of all of our workers, as well as local communities near our operations.

Workplace: Our workforce is the foundation of our business and Imperial Mining Group’s long-term success depends on fostering a work environment that promotes an inclusive culture where everyone can contribute, develop and work together to deliver our strategy.

Imperial Mining Group Ltd. will work toward building a culture of inclusion and diversity where women are included and encouraged to succeed at all of our operations.

Our exploration activities and ensuing development operations will prioritize building community partnerships to support our inclusion and diversity goals.

V. ENVIRONMENTAL STEWARDSHIP

At Imperial Mining Group, we are aware that even very early in the lifecycle of a Mine, our work may have an impact on the environment. We understand that at every step, our activities have to be planned and coordinated in such a way that we prevent, or minimize any impact, and that planning also includes the mitigation and remediation of said activities to avoid any long term detrimental environmental impacts.

This means that we understand that beyond all the regulatory requirements that Imperial Mining Group will comply with in order to carry out its activities, through permitting or otherwise. Imperial Mining Group will take a conscious and proactive approach to managing impacts on the water, the air, waste management, carbon footprint, biodiversity, as well as reclamation. As the exploration and the development of the projects progress, Imperial Mining Group will update its policies around its Environment Stewardship to include any other unforeseen potential impacts, brought about by its activities.

Water: Currently one of the World’s core concerns, it is even more so in the mining industry. We need water to carry out our work and we understand that managing water use is of the utmost priority. Imperial Mining Group intends to **mitigate environmental and social impacts associated with water use** by minimizing water use through recycling where practical. Early baselining and monitoring will help Imperial Mining Group focus on identifying the proper techniques and actions that will be taken in order to minimize impact and mitigate the consequences. Stakeholder engagement maps and communication plans will be used to support collaboration and engagement on all water-related matters.

Air: Quality of air in the locations Imperial Mining Group intends to further explore and develop will also be a top priority. We will challenge ourselves to ensure that we maintain, to the greatest extent possible, the air quality where we work through continuous monitoring. We will abide by

all required regulations and requirements, as a minimum, and focus on creating the lowest impact possible.

Carbon Footprint: Mining is often an energy-intensive industry that relies on fuel and electricity to operate. Some of Imperial Mining Group’s properties and projects are located in remote areas, and we understand that will need to ensure the best possible alternatives for the use of equipment and power generating facilities in creating a carbon strategy that continuously seeks to reduce greenhouse gas (GHG) emissions and improve energy efficiency. Imperial Mining Group will evaluate alternatives that prioritise the use of renewable energy sources — to power its operations.

Biodiversity: Imperial Mining Group’s projects are located in diverse ecosystems across the province of Québec. At every stage of the mine lifecycle, we will partner with our Stakeholders and local communities to gain an in-depth understanding of local ecosystems. We understand that Imperial Mining Group’s ability to access land depends on effectively managing any undesirable impacts of our activities on species, ecosystems and other land uses. Our targets: avoid impacts, minimize impacts, restore and rehabilitate and offset.

As Imperial Mining Group progresses toward development and operations Imperial Mining Group will develop a biodiversity strategy in consultation with stakeholders.

Waste Management: As Imperial Mining Group progresses through from exploration to development, construction and operation, the safe and effective management of all waste products will be closely monitored. As we work with our consultants and contractors on the best methods to be used to develop our projects, as sustainable miners our priorities will be placed on ensuring that a “clean and green” approach to waste will be integrated into our life-of-mine execution plan. We intend to monitor all related activities closely and measure our environmental performance. In a continued effort to maintain accountability and transparency, we will share the results of this information on a regular basis.

Reclamation: Imperial Mining Group will continuously plan toward how it will ultimately remediate and rehabilitate or re-purpose the land that will be affected by its operations. We will plan our behaviour in such a way to ensure that we give back to those affected the use of their lands for future generations, for their full enjoyment.

VI. ETHICS & GOVERNANCE

We are accountable to our stakeholders, be they employees, shareholders, our Indigenous partners, the communities we work and operate in, as well as civil society and Government. At the same time, our stakeholders have become more informed, and they demand that we deliver a high level of environmental and social performance along with a demonstrated ability to effectively manage risk.

Compliance with all laws, regulations, legal requirements and guidelines as well as standards underwrite Imperial Mining Group's way of doing business. Whether it concerns worker health and safety, land use, environmental protections or other areas, every decision made by the Company will ensure compliance, every step of the way. As we develop our activities, Imperial Mining Group commits to setting up compliance and reporting programs to demonstrate our commitment to transparency and good governance.

Imperial Mining Group will focus on strong governance and accountability to ensure that the organization will optimize results and safeguard long-term success. It will ensure that the members of the management team provide the organization with the support and the information and vision required to manage events which could have reputational, financial, operational, and environmental or community impacts.

The Board of Directors and the Executive Management team recognize the importance of strong corporate governance to effectively manage the company to protect the interests of shareholders, employees, and external stakeholders. Imperial Mining Group's approach to issues of corporate governance is designed to ensure that our business and affairs are conducted so as to enhance long-term value for all. We will build our corporate policies to incorporate the guidelines and standards.

We commit to regularly reporting on all of our sustainability efforts, as well as share our results in a transparent and honest manner, including measuring results over targets, and stakeholder feedback.

VII. CONCLUSION

The United Nations Commission on Environment and Development (UNCED, 1987) defines sustainable development as development that meets the community and social needs of the present without compromising the ability of future generations to define their own needs and objectives.

This is the standard that Imperial Mining Group Ltd. intends to follow, will be responsible for and is accountable for to its employees, communities, shareholders and stakeholders.

THE FOREGOING SUSTAINABILITY POLICY is hereby unanimously consented to by the Board of Directors of Imperial Mining Group Ltd. as evidenced by their respective signatures attached hereto.

DATED this 15th day of May 2018.

(signed) Peter J. Cashin

Peter J. Cashin
President & CEO, Director

(signed) Donald S. Bubar

Donald S. Bubar
Chairman of the Board

(signed) Steven Brunelle

Steven Brunelle
Director

(signed) Philippe Cloutier

Philippe Cloutier
Director

(signed) Siri Genik

Siri Genik
Director