

## ESG Strategy Statement – Excerpt from Annual Information Form (AIF)

The Company is an environmental, social governance ("ESG") leader in the junior mining exploration and development space. This starts from the ground up with staff field safety protocols and weekly safety meetings around personnel safety in and traveling to the workplace. The Company has had a comprehensive COVID avoidance policy in place since February 2020 and has zero incidence of infection among staff and service providers. The Corporation's staff have had no lost time accidents since the onset of field exploration operations in May 2020. The safety culture also extends to contractor and service provider personnel, encouraging a safety first, collegial environment.

An EIS gap analysis with recommendations for further work, baseline water studies comparing current and historical water quality data and archaeological studies have been freely shared with the Participating First Nations, the Fort William First Nation, the Red Rock Indian Band and the Biinjitiwabik Zaaging Anishinaabek, pursuant to the Memorandum of Agreement. Field staff and management have all completed cultural sensitivity training and review of the PDAC e3 Plus exploration best practices guidelines.

From a social factor perspective, the Company has achieved peer leading progress with its First Nation Partners through the Memorandum of Agreement, establishing a project partnership going forward. The Memorandum of Agreement confirms a framework for a mutually beneficial relationship between the Cooperating Participants regarding the Thunder Bay North Project. The Memorandum of Agreement establishes a foundation for collaborative and respectful communications between the Cooperating Participants to facilitate the Company's consultation with the Cooperating Participants to identify (i) potential impacts of the Thunder Bay North Project on the Cooperating Participants interests and rights;

(ii) the appropriate measures to mitigate and avoid any adverse effects; and (iii) opportunities to enhance positive impacts and benefits. The Corporation also announced the issuance a common share purchase warrants of the Corporation to the Cooperating Participants on January 29, 2021 under the Memorandum of Agreement.

The Board and senior management believe that extending common share purchase warrants of the Company as a key part of early engagement and accommodation is innovative, respectful and aligns the interests of the company with the interests of the Cooperating Participants on a fundamental, first principles basis.

The peer leading environmental and social factor performance are borne of a strong policy and a governance factor mandate that is driven by the Board. The Company has published various corporate governance policies to its website at <https://www.cleanairmetals.ca/corporate/corporate-governance/> including a Code of Business Conduct and Ethics, a Sustainability Policy, an Ethical Workplace and Reporting Policy and Procedure, and an Equity, Diversity and Inclusion Policy. Sound corporate governance practices are designed to promote the well-being and ongoing development of the Company, having as its ultimate objective the best long-term interests of the Company and the enhancement of value for shareholders and stakeholders. The Sustainability Committee of the Board has also derived a checklist under the care of senior management performance commitments, to assist Board members and management in managing policy compliance. The checklist seeks to capture major deliverables and those items that have a defined frequency (e.g. quarterly; annually) as a useful tool to ensure implementation of the Board policy and governance mandate in an active and ongoing way.