



Nickel 28 Capital Corp.

Shareholder Capital Return Policy

The board of directors (the “**Board**”) of Nickel 28 Capital Corp. (formerly known as Conic Metals Corp.) (the “**Company**”) has adopted the following shareholder capital return policy (this “**Policy**”).

As of the date of this Policy, the Company has not declared or paid any dividends on its common shares (the “**Common Shares**”) or made any distributions on the Common Shares since its incorporation, and prior to the date of this Policy, had publicly disclosed that it intends to use its future earnings and other cash resources for the operation and development of its business, subject to the ability of the Board to declare and pay dividends in the future as circumstances permit (the “**Prior Distributions Policy**”).

As the Company approaches the repayment of its outstanding non-recourse joint venture indebtedness (the “**Ramu Debt Repayment**”) associated with the Company’s joint venture interest in the Ramu Nickel-Cobalt Operation (the “**Ramu Project**”), the Board has determined to adopt this Policy to update the Prior Distributions Policy and to articulate for its shareholders and other stakeholders the Board’s intended approach to the return of shareholder capital from the free cash flow generated from the sale of nickel and cobalt from the Ramu Project.

Normal Course Issuer Bids / Share Buy-Backs

As of the date of this Policy, in the opinion of management and the Board, the Common Shares continue to trade on the TSX Venture Exchange (the “**Exchange**”) in a price range that represents a substantial discount to management and the Board’s formal estimate and assessment of the Company’s inherent value.

Accordingly, at times when a substantial discount to management and the Board’s formal estimate and assessment of the Company’s inherent value develops, the Board believes that using a portion of the Company’s excess liquidity to repurchase for cancellation Common Shares at such trading prices would be accretive to the Company’s net asset value per Common Share. The Board also believes that such buy-backs will have the effect of benefiting remaining shareholders by increasing their proportionate ownership in the Company.

The Board believes that normal course issuer bids (“**NCIBs**”) conducted under the applicable rules of the Exchange appropriately balance the Company obtaining the benefit of a share buy-back program with cost, complexity and ease of administration for management of the Company, and as such, will seek to institute and maintain an NCIB at all times after the institution of this Policy in order to provide the Company with the optionality to institute buy-backs as market conditions develop and evolve from time to time.

Dividends and Distributions

Following the Ramu Debt Repayment, it is the current intention of the Board that the dividend policy of the Company shall thereafter be to pay an adequate sustainable dividend as the Board, at its sole discretion, may recommend on a bi-annual basis.

In making its determination as to the timing and quantum of dividends to be paid or distributions made by the Company, the Board will evaluate the Company's financial strength and its future growth plans and, in particular, give consideration to the following factors:

- commodity prices, foreign exchange rates and economic market conditions applicable to the Company's business and operations;
- the Company's projected revenue and operating expenses;
- the Company's debt obligations;
- the Company's future opportunities for reinvestment of surplus free cash flows;
- the yields of comparable companies dividend rates;
- any relevant legal or other restrictions that might be applicable to the payment of dividends; and
- such other business or strategic considerations as the Board may consider relevant.

The approval of the Board will be required to declare any dividend to be issued or make any other form of distribution in accordance with applicable law. Any dividends or distributions payable shall be payable bi-annually (unless otherwise determined by the Board from time to time), subject to the receipt by the Board of a certificate by the Chief Financial Officer of the Company that there are no reasonable grounds for believing that: (i) the Company is, or after the payment of the dividend or making of the distribution would be, unable to pay its liabilities as they become due; and (ii) the realizable value of the Company's assets are, or after the payment of the dividend or making of the distribution would be, less than the aggregate of its liabilities and its stated capital of all classes.

Board Discretion

The institution of an NCIB (or alternative form of Common Share buy-back) and/or the declaration or other determination of any dividend or distribution pursuant to this Policy will be determined in all instances by the Board, in its sole discretion, in accordance with its statutory and fiduciary duties.

This Policy does not create (and will not be interpreted to or deemed to be creating) any binding obligation on the part of the Company or the Board to institute an NCIB (or alternative form of Common Share buy-back) and/or to declare or pay a dividend or make a distribution on the Common Shares at any time.

Policy Review

The Board will annually review and reassess the adequacy of this Policy and submit any recommended changes to the Board for approval.

Dated: June 11, 2024
Approved by: Board of Directors of the Company