

Appendix B
Code of Business Conduct and Ethics

NICKEL ASIA CORPORATION

INSIDER TRADING POLICY

A. Policy on Insider Trading

1. When in possession of material non-public information with respect to the Company or its securities, Corporate Insiders (as defined below) who possess, or are considered to possess, knowledge of material facts or information or changes in the affairs of the Company and/or its subsidiaries, including any information that may affect the price of shares of stock or other securities issued by the Company, shall not trade in, or buy and/or sell, shares of stock and other securities of the Company.
2. Corporate Insiders in possession of material non-public information shall keep such information strictly confidential and shall not disclose them to friends, associates, family members or relatives. Trading by friends, associates, family members or relatives after receiving such confidential information from a Corporate Insider is illegal, and the Corporate Insider who revealed such confidential information shall likewise be criminally liable.
3. Corporate insiders may trade in, or buy and/or sell, shares of stock of the Company only when they are not in possession of material non-public information and only in compliance with the policies and rules set forth below.
4. The provisions of the Securities Regulation Code (SRC) on insider trading and all rules and regulations pertaining thereto shall in all instances be complied with.

B. Who are Corporate Insiders (“Covered Persons”)

For purposes of this Insider Trading Policy, the following are deemed Insiders and are required to comply with the policy:

1. All members of the Board of Directors, including Independent Directors;
2. All Officers of the Company and any of its subsidiaries, namely the Chairman, the President and Chief Operating Officer (CEO), the Chief Financial Officer (CFO), the Corporate Secretary, the Assistant Corporate Secretary and all Senior Vice Presidents, Vice Presidents and Assistant Vice Presidents, and Resident Mine Managers;

3. Consultants or advisors retained by the Company, including financial, tax and legal advisors;
4. All Employees of the Company or its subsidiaries, including contractual employees, regardless of rank or position, who are aware of material information that has not been disclosed;
5. Relatives (as defined in the Applicability provision of this Code) of an Insider.
6. Any other person who misappropriated or took advantage of confidential information gained or obtained from a Covered Person.

C. Material Information

Material information is any information that may reasonably be expected to affect market activity in and the price of shares of stock or securities of the Company. It includes any information reasonably likely to affect an investor's decision to buy or sell the Company's shares of stock or securities, and information that enables the Company or any holder of its shares or securities to appraise or evaluate an investment therein.

Material information may be positive or negative information. Material information includes, but is not limited to, the following:

1. Financial position and financial results;
2. Projections of future earnings or losses;
3. Significant investments, acquisitions or divestments, or entering into or divesting from joint ventures;
4. Declaration by the Company of dividends (cash, stock or property) and changes in dividend policy;
5. Any changes in equity structure;
6. Significant litigation filed by or against the Company or its subsidiaries.

D. Rules on Trading by Covered Persons

1. Prohibition against illegal insider trading

Illegal insider trading, which is generally the act of buying or selling shares of stock or securities in breach of fiduciary duty or the relationship of trust and confidence while having or possessing material non-public information about the Company, is illegal and shall be dealt with in accordance with law, including criminal and/or civil prosecution.

2. Black-out periods

All Directors and Officers, and all Relatives and Employees who possess or are considered to possess material non-public information by reason of their position and/or duties and responsibilities in the Company or its subsidiaries, shall comply with the black-out periods herein defined.

- a. For financial results: five (5) full trading days before disclosure thereof by the Company and for three (3) full trading days after disclosure.
- b. Other disclosures (non-structured disclosures): from the time the Director, Officer or Employee becomes aware of the material information and for two (2) full trading days after disclosure.
- c. Exercises of stock option grants (acquisition of shares of stock) under a stock option plan of the Company shall not be covered by the black-out periods. However, the sale of any shares of stock or securities, whether or not acquired under the stock option plan, shall be subject to the black-out periods.

3. Compliance and Reporting

- a. Directors and Officers must comply with reporting requirements under rules of the SEC and the Exchange, as enumerated below. Notwithstanding the periods provided under such rules Directors and Officers are enjoined to immediately report to the Company, through the Compliance Officer, any dealings in its securities.

- (i) Reports to the SEC

- (aa) Directors, Officers and principal shareholders (holding 10% or more of any outstanding security of the Company) must make an initial report of beneficial ownership (SEC Form 23-A) within the period provided in Section 23 of the SRC and its implementing rules.

- (bb) Directors, Officers and principal shareholders must report any acquisitions, dispositions or changes in beneficial ownership (SEC Form 23-B) within the period mandated in the same provision or any amendments thereof.

- (ii) Reports to the Exchange

- (aa) The Company is mandated to report to the Exchange the beneficial ownership of Directors and Officers within five (5) trading days (or such other period as the Exchange may mandate) from the date of initial election and, within the same period, to report any acquisition, disposition or change in their holdings.

- (bb) Directors and Officers must report their holdings in securities and any changes thereto to the Compliance Officer within such period and in no case later than one day

prior to the mandated period, for proper reporting to the Exchange.

- b. Principal shareholders as defined by the Securities Regulation Code are likewise requested and enjoined to comply.

4. Non-Compliance

Non-compliance with the policy on Insider Trading shall subject the Covered Person to disciplinary action under the Company's Code of Conduct without prejudice to civil and/or criminal action by the Company or the regulators. Violations of rules of the SEC or the Exchange are subject to fines or penalties, and/or imprisonment in accordance with the SRC and applicable statutes.

The definition of beneficial ownership, and the reporting periods mandated under Section 23 of the SRC and its implementing rules are in Exhibit 1 of this Insider Trading Policy.

Exhibit 1
Insider Trading Policy

Securities Regulation Code

Section 23: *Transactions of Directors, Officers and Principal Stockholders.*

23.1. Every person who is directly or indirectly the beneficial owner of more than ten *per centum* (10%) of any class of any equity security which satisfies the requirements of Subsection 17.2, or who is a director or an officer of the issuer of such security, shall file, at the time either such requirement is first satisfied or within ten days after he becomes such a beneficial owner, director, or officer, a statement with the Commission and, if such security is listed for trading on an Exchange, also with the Exchange, of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten (10) days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the Commission, and if such security is listed for trading on an Exchange, shall also file with the Exchange, a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such calendar month.

Implementing Rules and Regulations
Securities Regulation Code

SRC Rule 3: Who are beneficial owners.

A. Beneficial owner or beneficial ownership means any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote, or to direct the voting of such security; and/or investment returns or power, which includes the power to dispose of, or to direct the disposition of such security; provided, however, that a person shall be deemed to have an indirect beneficial ownership interest in any security which is:

- i. held by members of his immediate family sharing the same household
- ii. held by a partnership in which he is a general partner;
- iii. held by a corporation of which he is a controlling shareholder; or
- iv. subject to any contract, arrangement or understanding which gives him voting power or investment power with respect to such securities; provided however, that the following persons or institutions shall not be deemed to be beneficial owners of securities held by them for the benefit of third parties or in customer or fiduciary accounts in the ordinary course of business, so long as such shares were acquired by such persons or institutions without the purpose or effect of changing or influencing control of the issuer:

- a. broker dealer;
- b. an investment house registered under the Investment Houses Law;
- c. a bank authorized to operate as such by the Bangko Sentral ng Pilipinas;
- d. an insurance company subject to the supervision of the Office of the Insurance Commission;
- e. an investment company registered under the Investment Company Act;
- f. a pension plan subject to regulation and supervision by the Bureau of Internal Revenue and/or the Office of the Insurance Commission or relevant authority; and
- f. a group in which all of the members are persons specified above.

All securities of the same class beneficially owned by a person, regardless of the form such beneficial ownership takes, shall be aggregated in calculating the number of shares beneficially owned by such person.

A person shall be deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership, within thirty (30) days, including, but not limited to, any right to acquire, through the exercise of any option, warrant or right; through the conversion of any security; pursuant to the power to revoke a trust, discretionary account or similar arrangement; or pursuant to automatic termination of a trust, discretionary account or similar arrangement.

SRC Rule 23: Reports to be filed by Directors, Officers and Principal Stockholders

1. Every person who is directly or indirectly the beneficial owner of ten percent (10%) or more of any class of any security of a company which satisfies the requirements of Subsection 17.2 of the Code, or who is a director or an officer of the issuer of such security, shall:

A. within ten (10) days after the effective date of the registration statement for that security, or within ten (10) days after he becomes such beneficial owner, director or officer, subsequent to the effective date of the registration statement, whichever is earlier, file a statement with the Commission, and with an Exchange if the security is listed on that Exchange, on Form 23-A indicating the amount of all securities of such issuer of which he is the beneficial owner;

B. within ten (10) days after the close of each calendar month thereafter, if there has been any change in such ownership during the month, file a statement with the Commission, and with an Exchange if the security is listed on that Exchange, on Form 23-B indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during that calendar month;

C. notify the Commission if his direct or indirect beneficial ownership of securities falls below ten percent (10%), or if he ceases to be an officer or director of the issuer. After filing such notification, he shall no longer be required to file Form 23-B; and

D. Newly appointed officer who has no beneficial ownership over the shares of the company shall notify the Commission of such fact within the above-stated reporting period, otherwise, the obligation to file SEC Form 23-A shall accrue against him.

2. In determining, whether a person is the beneficial owner, directly or indirectly, of more than ten percent (10%) of any class of any registered security, such class shall be deemed to consist of the amount of such class which has been issued, regardless of whether any part of such amount is held by or for the account of the issuer; except that for the purpose of determining the percentage of ownership of voting trust certificate or certificates of deposit for securities, the class of voting trust certificate or certificates of deposit shall be deemed to consist of the entire amount of voting trust certificates or certificates of deposit issuable in respect of the class of securities which may be deposited under the voting trust agreement or deposit agreement in question, whether or not all of such class has been so deposited.
3. A person filing a statement pursuant to this Rule otherwise than as the direct beneficial owner of any security shall specify the nature of his beneficial ownership.
4. A partner who is required under this Rule to report in respect to any security owned by the partnership may include in his statement the entire amount of such security owned by the partnership and state that he has an interest in such security by reason of his membership in the partnership, without disclosing the extent of such interest; or such partner may file a statement only as to that amount of such security which represent his proportionate interest in the partnership, indicating that the statement covers only such interest.