

SUPPLIER DIVERSITY AND LOCAL PROCUREMENT POLICY

FPX Nickel Corp. (“**the Company**”) has an objective to ensure that local communities, particularly Indigenous communities, benefit from significant and lasting opportunities provided by project development activities. To achieve this, the Company has developed a Supplier Diversity and Local Procurement Policy which commits to the identification of local and Indigenous-owned businesses, to work with these businesses to increase their capacity to provide goods/services to the company, and that priority be given to businesses which benefit local people.

To achieve this, the Company shall:

- Build a network of both local and Indigenous business owners in advance of needs arising;
- Provide sufficient advance notice of all material tenders for goods and services that may be required;
- Engage with qualified local businesses responding to tenders to learn more about their experiences and potential barriers to securing new opportunities;
- Support businesses in identifying opportunities connected to resource development projects;
- Prioritize engagement of Indigenous-owned businesses and joint ventures or partnership agreements between non-Indigenous and Indigenous companies;
 - All contract award decisions are to be evaluated on a multi-criteria evaluation matrix including: team, execution plan, company experience, safety, and commercial criteria; a sub-category of the team evaluation includes consideration for local and Indigenous-owned businesses and suppliers, with higher weighting applied accordingly. Wherever cost and other key commercial terms are reasonably equivalent, award such contracts to qualified local and/or Indigenous businesses.
- Require that potential contractors describe how they will prioritize employment, training, and subcontractor opportunities to local people and businesses; and
- Give preference to contractors which demonstrate hiring of local people and engagement of local businesses.

Approved by the Board of Directors