



TIMMINCO LIMITED

CODE OF CONDUCT AND ETHICS

I. PURPOSE

The purpose of this Code of Conduct and Ethics (the “**Code**”) of Timminco Limited and its subsidiaries (collectively, the “**Corporation**”) is to:

- endorse and promote the Corporation’s commitment to honest and ethical conduct, including fair dealing and ethical handling of conflicts of interest;
- promote full, fair, accurate, timely and understandable disclosure;
- promote compliance with applicable laws and governmental rules and regulations;
- ensure the protection of the Corporation’s legitimate business interests, including corporate opportunities, assets and confidential information; and
- deter wrongdoing.

All directors, officers and employees of the Corporation are expected to be familiar with the Code and to adhere to those principles and procedures set forth in the Code that apply to them.

For purposes of this Code, the “**Code of Ethics Contact Person**” will be (i) for the members of the Board of Directors, the Chairman of the Board or the Chair of the Corporate Governance and Nominating Committee of the Board of Directors, and (ii) for the officers and employees of the Corporation, the Corporate Secretary or the Chairman of the Board.

II. HONEST AND CANDID CONDUCT

Each director, officer and employee owes a duty to the Corporation to act with integrity. Integrity requires, among other things, being honest and candid. Deceit and subordination of principle are inconsistent with integrity.

Each director, officer and employee must:

- act with integrity, including being honest and candid while still maintaining the confidentiality of information where it is required or where it is consistent with the Corporation’s policies;
- observe both the form and spirit of applicable laws and governmental rules and regulations, accounting standards and corporate policies; and
- adhere to a high standard of business ethics.

III. CONFLICTS OF INTEREST

A “conflict of interest” occurs when an individual’s private or personal interest interferes, or may appear to interfere, with the interests of the Corporation. A conflict of interest can arise when a director, officer or employee takes actions or has interests that may make it difficult to perform

his or her work objectively and effectively. For example, a conflict of interest would arise if a director, officer or employee, or member or his or her family, receives improper personal benefits as a result of his or her position in the Corporation. Any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should be discussed with the Code of Ethics Contact Person.

In considering a conflict of interest between a director and the Corporation, consideration shall be given to the Charter of the Corporate Governance and Nominating Committee Charter.

Conflict of interest situations involving directors, officers and employees may include the following:

- any material ownership or financial interest in any supplier of goods or services to the Corporation or in any major customer of the Corporation;
- any consulting or employment relationship with any major customer of the Corporation, supplier or competitor or serving as a director of any other corporation;
- any outside business activity that detracts from an individual's ability to devote appropriate time and attention to his or her responsibilities with the Corporation;
- the receipt of non-nominal gifts or excessive entertainment from any person with which the Corporation has current or prospective business dealings;
- being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of any immediate family member.

Anything that would present a conflict of interest for a director, officer or employee would likely also present a conflict if it is related to a member of his or her immediate family.

Conflicts of interest between a director, officer or employee and the Corporation are to be disclosed to the Board of Directors, the Chief Executive Officer or a Code of Ethics Contact Person and reported to the Corporate Governance and Nominating Committee of the Board on a regular basis.

IV. DISCLOSURE

Each director, officer and employee involved in the Corporation's disclosure process, including the Chief Executive Officer and the Chief Financial Officer, is required to be familiar with and comply with the Corporation's disclosure controls and procedures and internal control over financial reporting and all other directors, officers and employees are required to be familiar with and comply with the Corporation's corporate disclosure policies and procedures as approved by the Board of Directors, to the extent relevant to his or her area of responsibility, so that the Corporation's disclosure obligations in respect of material information are satisfied and public reports filed with securities commissions and regulatory authorities comply in all material respects with the applicable securities laws and rules. In addition, each such person having direct or supervisory authority regarding these regulatory filings or the Corporation's other public communications concerning its general business, results, financial condition and prospects should, to the extent appropriate within his or her area of responsibility, consult with the members of the Corporation's Disclosure Committee and take other appropriate steps regarding these disclosures.

Each director, officer or employee who is involved in the Corporation's disclosure process, including the Chief Executive Officer and the Chief Financial Officer, must:

- familiarize himself or herself with the Corporation's corporate disclosure policies and procedures as approved by the Board of Directors, the disclosure requirements applicable to the Corporation, and the business and financial operations of the Corporation;
- not knowingly misrepresent, or cause others to misrepresent, facts about the Corporation to others, whether within or outside the Corporation, including to the Corporation's external auditors, governmental regulators and self-regulatory organizations;
- properly review and critically analyse proposed disclosure for accuracy and completeness (or, where appropriate, delegate this task to others); and
- not disseminate any information to the public, except as specifically authorized and in accordance with the Corporation's corporate disclosure policies and procedures as approved by the Board of Directors.

V. COMPLIANCE WITH LAWS

It is the Corporation's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each officer, director and employee to adhere to the standards and restrictions imposed by those laws, rules and regulations.

VI. INSIDER TRADING

It is against the policy of the Corporation, and in many circumstances illegal, for a director, officer or employee to profit from undisclosed information relating to the Corporation or any other company. A director or officer may not purchase or sell any of the Corporation's securities while in possession of material non-public information relating to the Corporation. Also, a director, officer or employee may not purchase or sell securities of any other company while in possession of any material non-public information relating to that company.

Directors, officers and employees are also to comply with the Corporation's policies relating to insider trading as approved by the Board of Directors, including any prohibition on trading during blackout periods as applicable. Any director, officer or employee who is uncertain about the legal rules involving a purchase or sale of, or other dealings in, any of the Corporation's securities or any securities in companies that he or she is familiar with by virtue of his or her work for the Corporation, should consult with the Corporate Secretary before making any such transaction.

VII. REPORTING, ACCOUNTABILITY AND WAIVERS

The Corporate Governance and Nominating Committee of the Board of Directors (the "**Committee**") is responsible for monitoring compliance with the Code and applying and interpreting the Code with regard to specific situations that are presented to it. Any director, officer or employee who becomes aware of any existing or potential violation of the Code is required to notify the Code of Ethics Contact Person promptly, and any such notification made in good faith will be confidential. Failure to do so is a violation of the Code.

Any questions relating to how the Code should be interpreted or applied should be addressed to the Code of Ethics Contact Person. A director, officer or employee who is unsure of whether a

situation violates the Code should discuss the situation with the Code of Ethics Contact Person to prevent possible misunderstandings and embarrassment at a later date.

The Corporation will follow the following procedures in investigating and enforcing the Code, and in reporting on the Code:

- The Code of Ethics Contact Person will make a preliminary investigation, if it is appropriate, and will report all violations and potential violations to the Committee.
- The Committee will take all appropriate action to fully investigate any alleged violations reported to them.
- If the Committee determines that a violation has occurred, the Committee will inform the Board of Directors.
- Upon being notified that a violation has occurred, the Board of Directors will take such disciplinary or preventive action as it deems appropriate, up to and including dismissal or, in the event of criminal or other serious violations of law, notification of appropriate governmental authorities.

Any stakeholder who has a concern or complaint with respect to accounting, internal controls or auditing matters may also notify the Chair of the Audit Committee of the Board of Directors. The Audit Committee has established procedures for the confidential and anonymous handling of such complaints.

The Corporation may waive specific provisions of the Code in a particular situation. Any waiver of the Code for directors or officers of the Corporation may be made only by the Board of Directors or by the Committee and reported to the Board of Directors. Any waiver by the Corporation of a provision of the Code to a director or officer that relates to a material item shall be disclosed by the Corporation in accordance with applicable legal and regulatory requirements.

VIII. CORPORATE OPPORTUNITIES

Directors and officers owe a duty to the Corporation to advance the Corporation's business interests when the opportunity to do so arises. Directors and officers are prohibited from taking (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Corporation has already been offered the opportunity and turned it down. More generally, directors, officers and employees are prohibited from using corporate property, information or position for personal gain and from competing with the Corporation.

It may be difficult to draw the line between benefits that are personal and benefits that are related to the Corporation, and certain activities involve benefits that are both personal and related to the Corporation. Directors, officers and employees who intend to make use of the Corporation's property or services in a manner not solely for the benefit of the Corporation should consult beforehand with the Code of Ethics Contact Person.

IX. CONFIDENTIALITY

In carrying out the Corporation's business, directors, officers and employees may learn confidential or proprietary information about the Corporation, its customers, suppliers, or joint

venture parties. Directors, officers and employees must maintain the confidentiality of all information so entrusted to them, except when disclosure is authorized or legally mandated. Confidential or proprietary information of the Corporation, and other companies, includes any non-public information that would be harmful to the relevant Corporation or useful or helpful to competitors if disclosed. Confidential information shall not be used for personal gain.

X. FAIR DEALING

The Corporation has a history of succeeding through honest business competition. The Corporation does not seek competitive advantages through illegal or unethical business practices including the conferral of personal benefits on any other person. Each director, officer and employee should endeavour to deal fairly with the Corporation's customers, service providers, suppliers, competitors and employees. No director, officer or employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice.

XI. PROTECTION AND PROPER USE OF THE CORPORATION'S ASSETS

All directors, officers and employees should protect the Corporation's assets and ensure their efficient use. The Corporation's assets and liabilities should be used only for legitimate business purposes.

Approved by the Board of Directors on March 17, 2008.