

WHISTLE BLOWER POLICY

1) INTRODUCTION

CaNickel Mining Limited (the "Company") is committed to maintaining the highest standards of business conduct and ethics (see the Company's Code of Business Conduct and Ethics Policy for further information), as well as full compliance with all applicable laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matters relating to fraud against stakeholders of the Company (collectively "Accounting Concerns").

Pursuant to its Charter, the Audit Committee of the Board of Directors of the Company (the "Audit Committee") is responsible for ensuring that a confidential and anonymous process exists whereby persons can report any Accounting Concerns relating to the Company. In order to carry out its responsibilities under its Charter, the Audit Committee has adopted this Whistle Blower Policy (the "Policy").

For the purposes of the Policy, Accounting Concerns is intended to be broad and comprehensive and to include any matter, which in the view of the complainant, is illegal, unethical, contrary to the policies of the Company or in some other manner not right or proper. Examples would include:

- a) Violation of any applicable law, rule or regulation that relates to corporate reporting and disclosure;
- b) Violation of the Company's Code of Business Conduct and Ethics Policy;
- c) Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- d) Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- e) Deficiencies in, or noncompliance with, the Company's " Internal Policies and Controls;
- f) Misrepresentation or a false statement by or to a director, officer or employee of the Company respecting a matter contained in the financial records, reports or audit reports of the Company; and
- g) Deviation from full and fair reporting of the Company's consolidated financial condition.

2. COMMUNICATION OF THE POLICY

To ensure that all officers, employees, consultants and contractors (together, referred to as "Employees"), and directors of the Company, are aware of the Policy, a copy of the Policy will be distributed to all Employees and directors. All Employees and directors will be informed whenever significant changes to the Policy are made.

3. REPORTING ALLEGED VIOLATIONS OR COMPLAINTS

Canadian regulators have established rules requiring public companies to establish procedures for: (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential anonymous submission by employees of the Company of concerns regarding potential fraud, questionable accounting or auditing matters. The Canadian Security Administrators' National Instrument 52-110 – Audit Committees requires an anonymous reporting procedure to be established.

The Company assumes that all reports made are legitimate, real and significant enough to warrant investigation. Any person with an Accounting Concern relating to the Company is encouraged to submit such written complaint or concern to:

Confidential

Audit Committee Chairman
CaNickel Mining Limited
PO Box 35, 1655 – 999 West Hastings Street
Vancouver, British Columbia, Canada V6E 2W2

A submission should include a detailed description of the activity regarding which there is a complaint or concern and, if known, should specify the date(s) and location(s) of such activity.

The Chairman of the Audit Committee (the "Chairman"), will review the details of any submissions and will determine what action will be taken. If a submission is not made anonymously, the Chairman will notify the person making the submission of the action proposed to be taken in response. All written submissions will be retained by the Chairman.

The identity of persons making submissions regarding complaints or concerns about accounting matters will not be disclosed by the Chairman without consent. The Chairman has ultimate responsibility for Whistleblower-related concerns.

In future, in addition to the Chairman, the Company may retain the services of an independent service provider to receive written reports.

4. NO ADVERSE CONSEQUENCES

A submission, in good faith, regarding an Accounting Concern may be made by Employees or directors of the Company without fear of dismissal, disciplinary action or retaliation of any kind. The Corporation will not charge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith an Accounting Concern or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigation an Accounting Concern.

5. TREATMENT OF ACCOUNTING CONCERN SUBMISSIONS

Accounting Concerns will be reviewed as soon as possible by the Audit Committee with the assistance and direction of whomever the Audit Committee thinks appropriate including, but not limited to, external legal counsel, and the Audit Committee shall implement such corrective measures and do such things in an expeditious manner as it deems necessary or desirable to address the Accounting Concern.

Where possible and when determined to be appropriate by the Audit Committee, notice of any such corrective measures will be given to the person who submitted the Accounting Concern.

6. RETENTION OF RECORDS

The Audit Committee shall retain all records relating to any Accounting Concern or report of a retaliatory act and to the investigation of any such report for a period judged to be appropriate based upon the merits of the submission and applicable regulatory statutes or legal parameters. The types of records to be retained by the Audit Committee shall include records of all steps taken in connection with the investigation and the results of any such investigation.

7. REVIEW OF THE POLICY

The Audit Committee will review and evaluate this Policy on an annual basis to determine whether this Policy is effective in providing a confidential and anonymous procedure to report violations or complaints regarding Accounting Concerns.

8. QUERIES

If you have any questions about how this Policy should be followed in a particular case, please contact the Chairman or the Corporate Secretary of the Company.

9. COMPLIANCE CERTIFICATION

All directors and officers of the Company, together with any employees, consultants and contractors specified by the Board of Directors of the Company, are required to provide a written acknowledgement and agreement of compliance with this Policy to the Corporate Secretary of the Corporation

10. AMENDMENT, MODIFICATION AND WAIVER

The Audit Committee will review and assess the adequacy of this Policy annually and will submit any recommended amendments to the Board of Directors for approval, subject to disclosure and other policies and guidelines of the Canadian Securities Administrators.