

LEADING EDGE MATERIALS CORP.

MANAGEMENT INFORMATION CIRCULAR

(Containing information as at March 14, 2018 unless indicated otherwise)

SOLICITATION OF PROXIES

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Leading Edge Materials Corp. (the “**Company**”) for use at the Annual General Meeting of Shareholders of the Company (and any adjournment thereof) to be held on April 19, 2018 (the “**Meeting**”) at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are directors and/or officers (“**Management’s Nominees**”) of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY. A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc. (the “Transfer Agent”), Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, or any adjournment thereof. Proxies delivered after that time will not be accepted.**

REVOCAION OF PROXIES

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney duly authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the head office of the Company, located at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 (Attention: Corporate Secretary), at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

INFORMATION FOR NON-REGISTERED SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the common shares of the Company (“Common Shares”) they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their Common Shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in such shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers’ clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**NOBOs**"). Subject to the provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBOs. By choosing to send these materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result if you are a NOBO of the Company, you can expect to receive a scannable Voting Instruction Form ("**VIF**") from the Transfer Agent. Please complete and return the VIF to the Transfer Agent in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. The Transfer Agent will tabulate the results of the VIF's received from the Company's NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIF's they receive.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above. The Company has not agreed to pay to distribute the proxy-related materials to the OBOs and, unless the intermediaries acting for such OBOs agree to assume the cost of such delivery, OBOs will not receive the proxy related materials for the Meeting.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder's broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The shares represented by a properly executed proxy in favour of Management's Nominees as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL, SUCH SHARES WILL BE VOTED AS DIRECTED BY MANAGEMENT OF THE COMPANY FOR EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. If any amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter that may be presented to the Meeting.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at March 14, 2018 (the “**Record Date**”), the Company had 89,004,180 Common Shares issued and outstanding.

Only shareholders of record at the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in that shareholder’s name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at the offices of the Transfer Agent and will be available at the Meeting. **Shareholders represented by proxy holders are not entitled to vote on a show of hands.**

To the knowledge of the directors or executive officers of the Company, no person or company beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares as of the close of business on March 14, 2018.

ELECTION OF DIRECTORS

The board of directors (the “**Board**”) presently consists of four directors and shareholders will be asked at the Meeting to determine the number of directors at four for the ensuing year. It is proposed that four directors be elected for the ensuing year.

Each of the present directors ceases to hold office immediately before the election of directors at the Meeting, unless: (a) the Company fails to hold an annual general meeting or all the shareholders who are entitled to vote at an annual general meeting fail by a unanimous resolution to consent to all of the business that is required to be transacted at the annual general meeting on or before the date by which the annual general meeting is required to be held; or (b) the shareholders fail, at the Meeting or in a unanimous resolution, to elect or appoint any directors, in which case each of the present directors continues to hold office until his or her successor is elected or appointed or he or she otherwise ceases to hold

office under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) or the Articles of the Company (the “**Articles**”). Directors ceasing to hold office at the Meeting are eligible for re-election or re-appointment

The persons named below will be presented for election at the Meeting as management’s nominees and the Management’s Nominees proposed by management as proxyholders in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles or the provisions of the BCBCA.

The following table and notes thereto sets out the name of each person proposed to be nominated by management for election as a director (a “**proposed director**”), the province and country in which he is ordinarily resident, all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company, and the number of Common Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Position, Province or State and Country of Residence ⁽¹⁾	Principal Occupation During Past Five Years ⁽¹⁾	Date Became a Director	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾
<p>Blair Way President, Chief Executive Officer (“CEO”) and Director</p> <p>Queensland, Australia</p>	<p>President and CEO of the Company since September 2013. Mr. Way has over 30 years management experience within the resources and construction industry throughout Australasia, Canada, the United States and Europe. Prior to joining Leading Edge Mr. Way was VP Project Development for Ventana Gold (TSX) advancing projects in Colombia. Mr. Way also served as President & Project Director, Oceanagold Philippines overseeing the Philippine business unit including in country exploration activities and project execution, Project Manager Non Ferrous Group with Hatch Associates (Brisbane) and Project Director for BHP’s Major Projects division in Townsville, Queensland. Mr. Way holds a Science (Geology) from Acadia University in Nova Scotia, Canada, a MBA from the University of Queensland, Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy.</p>	<p>13-Sept-2013</p>	<p>164,000</p>
<p>Michael Hudson⁽³⁾⁽⁴⁾ Non-Executive Chairman, Director</p> <p>Melbourne, Australia</p>	<p>Professional Geologist. Chief Executive Officer, Chairman and a director of Mawson Resources Limited (“Mawson”, since 2004) and Hannan Metals Ltd. (since 2016), both mineral exploration and development companies. Mr. Hudson has over 28 years of experience in mineral exploration in Australia, Asia, South America and Europe. He has developed junior exploration companies over the past 18 years in the Canadian markets. Mr. Hudson graduated from the University of Melbourne in 1991 with a B.Sc. (Hons) in Geology and holds a Graduate Diploma of Applied Finance and</p>	<p>22-Feb-2012</p>	<p>491,326⁽⁵⁾</p>

Name, Position, Province or State and Country of Residence ⁽¹⁾	Principal Occupation During Past Five Years ⁽¹⁾	Date Became a Director	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾
	Investment through the Financial Services Institute of Australia (FINSIA) obtained in 2005. He is a Fellow of the Australasian Institute of Mining and Metallurgy and a member of both the Society for Economic Geologists and Australian Institute of Geoscientists.		
<p>Mark Saxon⁽³⁾⁽⁴⁾⁽⁷⁾ Director Melbourne, Australia</p>	<p>Professional Geologist. Mr. Saxon was the President and Chief Executive Officer of Tasman Metals Ltd. (“Tasman”), a Canadian mineral exploration and development company, from October 2009 to August 2016 when Tasman was acquired by the Company. Mr. Saxon has over 25 years of experience working as a professional geologist. He graduated from the University of Melbourne in 1991 with a First Class Bachelor of Science (Hons) in Geology. In 2006, Mr. Saxon achieved a Graduate Diploma of Applied Finance and Investment through the Financial Services Institute of Australia (FINSIA). He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and a director of Mawson since 2005.</p>	22-Feb-2012	3,447,566 ⁽⁶⁾
<p>Filip Kozlowski⁽³⁾ Director Stockholm, Sweden</p>	<p>Private consultant within wealth management based in Stockholm. Director of Treasury with Star Clippers Monaco SAM, between 2015 and 2017. From 2009 to 2015, Mr. Kozlowski held the position of Portfolio Manager for each of Alencia AB, Perez Capital AB and APS Capital AB, all private wealth funds. From 2005 to 2009, Mr. Kozlowski held the position of Principal Trader with Deutsche Bank AG London within their equity capital markets division. Mr. Kozlowski graduated from the Stockholm School of Economics with a M.Sc. in Business Administration and a major in Finance.</p>	02-Aug- 2017	100,000

NOTES:

- (1) The information as to the residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective proposed directors individually.
- (2) The information as to Common Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective proposed directors individually.
- (3) Member of the Audit Committee. Michael Hudson is Chairman of the Audit Committee.
- (4) Member of the Compensation Committee.
- (5) Of these Common Shares, 28,053 are held by Sultana Super Fund, of which Mr. Hudson is the trustee.

- (6) Of these Common Shares, 3,238,273 are held by Floresta Trust and 28,043 are held by Ridley Super Fund, for both of which Mr. Saxon is the trustee.
- (7) Member of the Technical Committee.

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, none of the proposed directors of the Company or any of their personal holding companies:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - (i) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the person ceased to be a director, chief executive officer or chief financial officer of the company and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is as at the date of this Information Circular or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company, including the Company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

None of the proposed directors or any of their personal holding companies has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

The following Statement of Executive Compensation for the fiscal year ending October 31, 2017 is provided as required under Form 51-102F6V - *Statement of Executive Compensation – Venture Issuers*:

For the purposes of this Information Circular, a “**Named Executive Officer**”, or “**NEO**”, means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;

- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year;
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

Based on the foregoing definitions, during the financial year ended October 31, 2017, the Company had two NEOs, namely: Mr. David Blair Way, CEO and Mr. Nick DeMare, CFO.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the two most recently completed financial years ended October 31, 2017 and 2016. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities and Instruments**” of this Information Circular.

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
David Blair Way President, CEO and Director	2017	199,992	Nil	Nil	Nil	Nil	199,992
	2016	199,992	Nil	Nil	Nil	Nil	199,992
Nick DeMare CFO and Former Director	2017	19,500	Nil	Nil	Nil	58,020 ⁽²⁾	77,520
	2016	22,000	Nil	Nil	Nil	33,420 ⁽²⁾	55,420
Michael Hudson Non-Executive Chairman, Director	2017	16,000	Nil	Nil	Nil	Nil	16,000
	2016	12,000	Nil	Nil	Nil	Nil	12,000
Mark Saxon Director	2017	84,500	Nil	Nil	Nil	Nil	84,500
	2016	12,000	Nil	Nil	Nil	Nil	12,000
Filip Kozlowski ⁽³⁾ Director	2017	7,500	Nil	Nil	Nil	Nil	7,500
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Mikael Ranggard ⁽⁴⁾ Former Director	2017	4,500	Nil	Nil	Nil	57,975	62,475
	2016	1,000	Nil	16,600	Nil	Nil	17,600
Robert Atkinson ⁽⁵⁾ Former Director	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	11,000	Nil	Nil	Nil	Nil	11,000

NOTES:

- (1) Fiscal year end October 31.
- (2) Paid to Chase Management Ltd. (“Chase”), a private company wholly-owned by Nick DeMare. Of these amounts, \$54,000 was paid for accounting and administrative services and \$4,020 in rent during 2017, and \$29,400 for accounting and administrative services and \$4,020 in rent during 2016. Mr. DeMare resigned as a director of the Company on December 18, 2017.
- (3) Mr. Kozlowski was appointed as a director on August 2, 2017.

- (4) Appointed as director and member of the Legal Advisory Committee on September 7, 2016. Mr. Ranggard resigned as a director and member of Legal Advisory Committee on July 11, 2017.
- (5) Mr. Atkinson resigned as a director of the Company on August 25, 2016.

External Management Companies

The Company does not retain an external management company to provide executive management services.

Nick DeMare, the CFO of the Company, is not an employee of the Company. Mr. DeMare provides his services to the Company through Chase, a private company controlled by Mr. DeMare.

Stock Options and Other Compensation Securities

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company for the financial year ended October 31, 2017, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversation or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
David Blair Way ⁽¹⁾ President, CEO and Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Nick DeMare ⁽²⁾ CFO and Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Michael Hudson ⁽³⁾ Non-Executive Chairman, Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Mark Saxon ⁽⁴⁾ Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Filip Kozlowski ⁽⁵⁾ Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Mikael Ranggard ⁽⁶⁾ Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

NOTES:

- (1) As at October 31, 2017, Mr. Way held 1,450,000 stock options of the Company, through his wholly-owned company, Ironbark Enterprises Inc., (“**Ironbark**”) that entitle him to acquire upon exercise 1,450,000 Common Shares.
- (2) As at October 31, 2017, Mr. DeMare held 445,000 stock options of the Company in his name, that entitle him to acquire upon exercise, 445,000 Common Shares and, 105,000 stock options of the Company through Chase, that entitle him to acquire upon exercise, 105,000 Common Shares.
- (3) As at October 31, 2017, Mr. Hudson held no stock options of the Company.
- (4) As at October 31, 2017, Mr. Saxon held 550,000 stock options of the Company that entitle him to acquire upon exercise, 550,000 Common Shares.
- (5) Appointed as a director on August 2, 2017. As at October 31, 2017, Mr. Kozlowski held no stock options of the Company.
- (6) As at October 31, 2017, Mr. Ranggard held 800,000 stock options of the Company that entitle him to acquire upon exercise, 800,000 Common Shares. Mr. Ranggard resigned as a director of the Company on July 11, 2017.

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Company for the financial year ended October 31, 2017:

Exercise of Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
David Blair Way President, CEO and Director	Stock Options	100,000	0.39	April 13, 2017	0.65	0.26	65,000
Nick DeMare CFO and Former Director	Nil	Nil	N/A	Nil	Nil	Nil	N/A
Michael Hudson Non-Executive Chairman, Director	Stock Options	400,000	0.39	Sept 19, 2017	0.62	0.23	248,000
Mark Saxon Director	Nil	Nil	N/A	Nil	Nil	Nil	N/A
Filip Kozlowski Director	Nil	Nil	N/A	Nil	Nil	Nil	N/A
Mikael Ranggard ⁽¹⁾ Former Director	Stock Options	50,000 175,385	0.52 0.39	Mar.14, 2017 June 16, 2017	0.805 0.79	0.285 0.40	40,250 138,554

NOTES:

(1) Mr. Ranggard resigned as a director of the Company on July 11, 2017.

Stock Option Plan and Other Incentive Plans

The Company has no other incentive plans other than its stock option plan (the “**Option Plan**”). The Company has adopted a rolling stock option, which makes a total of 10% of the issued and outstanding shares at the date of grant of an option available for issuance thereunder.

The Option Plan, which is a significant component of executive compensation, was established to promote the profitability and growth of the Company by facilitating the efforts of the Company to retain and encourage key individuals and qualified parties to continue their association with the Company. The Option Plan provides that it is solely within the discretion of the Board, upon consideration of a recommendation from the Company’s Compensation Committee, to determine who should receive options and in what amounts. The options may have vesting provisions, as determined by the Board. Options may be granted for any term up to a maximum of 10 years after the issuance of such options.

The Option Plan may be administered by the Board, or by a committee of two or more directors (the “**Committee**”), who may be designated from time to time to serve as members of said Committee.

The following is a summary of the material terms of the Option Plan, and is qualified in its entirety by the full text of the Option Plan, which is available for review by any shareholder up until the day preceding the Meeting at the Company’s head office at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia, and will be available at the Meeting:

1. Stock options may be granted to directors, officers, employees and consultants of the Company or any subsidiary of the Company and to eligible charitable organizations.

2. The maximum number of Common Shares that may be issued upon exercise of stock options granted under the Option Plan will be that number of shares which is 10% of the issued and outstanding shares of the Company. Any outstanding options will form a part of the foregoing 10%.
3. The aggregate number of options granted to any option holder in a twelve month period must not exceed 5% of the issued and outstanding Common Shares, and the maximum number of options which may be granted to insiders within any twelve month period must not exceed 10% of the issued and outstanding Common Shares (unless the Company has obtained disinterested shareholder approval of such grants as required by the Exchange).
4. The aggregate number of options granted to any one consultant of the Company within any twelve month period must not exceed 2% of the issued and outstanding Common Shares.
5. Options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued and outstanding Common Shares in any twelve month period, calculated at the date an option is granted to any such person, and such options are subject to vesting schedule of at least 12 months whereby no more than 25% of the options granted may be vested in any three month period.
6. The maximum aggregate number of shares that may be reserved under the Option Plan or other share compensation arrangements of the Company (the “**Charitable Options**”) for issuance to all Eligible Charitable Organizations (as this term is defined by the policies of the TSXV) shall not exceed 1% of the issued and outstanding shares of the Company as calculated immediately subsequent to the grant of any Charitable Options to Eligible Charitable Organizations;
7. The exercise price of the stock options, as determined by the Board in its sole discretion, shall not be less than the closing price of the Company’s shares traded through the facilities of the Exchange on the date prior to the date of grant, less allowable discounts, in accordance with the policies of the Exchange and in any event, will not be less than \$0.10 or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed and quoted for trading.
8. If the option holder ceases to be a director, officer, employee, management company employee or consultant of the Company (other than by reason of death or termination for cause), as the case may be, then the option granted shall expire within 90 days following the date that the option holder ceases to be a director or ceases to be employed by the Company, or for those holders engaged in providing investor relations services, the options granted shall expire within 30 days following the date that the option holder ceases to provide such investor relations services, unless the Board or Committee, at its own discretion, extends the expiry of the Option. In the event of the death of an optionee, an option which remains exercisable may be exercised in accordance with its terms by the person or persons to whom such optionee’s rights under the option shall have passed under the optionee’s will or pursuant to law, for a period not exceeding one year from the optionee’s death. In the event that the optionee shall cease to be an officer, employee, management company employee or consultant of the Company for termination for cause, the option shall terminate and shall cease to be exercisable immediately upon such termination for cause.
9. If the option holder ceases to be an Eligible Charitable Organization then the Charitable Option previously granted to said Eligible Charitable Organization shall terminate and shall cease to be exercisable on the 90th day following the date that the holder of the Charitable Option ceases to be an Eligible Charitable Organization
10. Upon expiry of the option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Option Plan.
11. The Option Plan does not provide for mandatory vesting provisions of the options. Options granted under the Option Plan may contain vesting provisions at the discretion of the Board or the Committee.

As at the date of this Information Circular, the Company had 89,004,180 Common Shares issued and outstanding so that a maximum of 8,900,418 Common Shares would be available for issuance pursuant to the stock options granted under the Option Plan. Currently there are 8,570,000 stock options outstanding leaving 330,418 Common Shares available for grant of further options under the Option Plan.

The Stock Option Plan was originally adopted by the shareholders of the Company in 2011 and most recently ratified by the shareholders of the Company in September 2017. In accordance with the policies of the TSXV, a rolling plan requires the approval of the shareholders of the Company on an annual basis. Accordingly, the Company will be seeking the approval of its shareholders to the ratification of the Stock Option Plan. See “**PARTICULARS OF OTHER MATTERS TO BE ACTED UPON - Approval of Stock Option Plan**”.

Employment, Consulting and Management Agreements

Management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

The Company entered into a management agreement with Ironbark and Mr. Blair Way effective as of May 1, 2015, which management agreement was replaced and superseded by an employment agreement between the Company and Mr. Way on similar terms effective as of December 13, 2017 (the “**Way Employment Agreement**”) for the provision of services as the CEO of the Company. Under the Way Employment Agreement, the Company has agreed to pay Mr. Way an annual salary of \$200,000 (\$16,666 per month (the “**Base Monthly Fee**”). In addition, the Company has agreed to provide Mr. Way with discretionary bonuses and stock option grants, from time to time.

Under the Way Employment Agreement, Mr. Way may terminate the Way Employment Agreement as follows:

- (a) at any time upon providing 60 days’ notice in writing to the Company (following which the Company must pay Mr. Way the Base Monthly Fee and any reasonable expenses accrued up to such date of termination (the “**Accrued Obligations**”));
- (b) upon a material breach or default of any term of the Way Employment Agreement by the Company if such breach or default has not been remedied within 30 days after written notice of the breach or default has been delivered by Mr. Way to the Company (following which the Company must pay Mr. Way the Accrued Obligations); or
- (c) upon a change of control or within 12 months from a change of control and for good cause, which includes, a unilateral material reduction in scope of services, authorities or removal from office of President and CEO of the Company, a unilateral material reduction in fees or remuneration, relocation of Mr. Way’s principal place of work by more than 20 kilometres (following which the Company must pay Mr. Way the Accrued Obligations, together with a fee equal to 12 months of the Base Monthly Fee).

Under the Way Employment Agreement, the Company may terminate Mr. Way as follows:

- (a) Mr. Way acting in a way which would permit the Company to terminate Mr. Way “for cause” at common law (following which the Company must pay Mr. Way the Accrued Obligations);
- (b) the conviction of Mr. Way of any crime or fraud against the Company or its property or any felony offence or crime reasonably likely to bring discredit upon Mr. Way or the Company (following which the Company must pay Mr. Way the Accrued Obligations);
- (c) Mr. Way filing a voluntary petition in bankruptcy, or being adjudicated bankrupt or insolvent, or filing any petition or answer under any present or future statute or law relating to bankruptcy, insolvency or other relief for debtors (following which the Company must pay Mr. Way the Accrued Obligations);
- (d) a material breach or default of any term of the Way Employment Agreement by Mr. Way if such breach or default has not been remedied within 15 days after written notice of the breach or default has been delivered by the Company to Mr. Way (following which the Company must pay Mr. Way the Accrued Obligations);

- (e) Mr. Way dying or being unable to provide substantially the services agreed to be performed under the Way Employment Agreement for a continuous period of 90 days or a period totaling 120 days in any 12-month period (following which the Company must pay Mr. Way the Accrued Obligations); or
- (f) at the discretion of the Company without cause (following which the Company must pay Mr. Way the Accrued Obligations, together with a fee equal to 12 months of the Base Monthly Fee).

In the Way Employment Agreement, a change of control of the Company shall be deemed to have occurred when: (i) a majority of the directors elected at any annual or special general meeting of shareholders are not individuals nominated by the Company's then incumbent Board; (ii) there is an occurrence of an event, including a takeover bid (as defined in the *Securities Act* (British Columbia)), whereby any person or entity becomes the beneficial owner of shares representing 25% or more of the combined voting power of the voting securities of the Company; (iii) there is a merger, amalgamation, reorganization or other corporate transaction of the Company with one or more companies as a result of which, immediately following such merger, amalgamation, reorganization or other corporate transaction the shareholders of the Company as a group will hold less than a majority of the outstanding capital stock of the surviving Company; or (iv) the Company sells all or substantially all of its assets.

The estimated incremental amounts payable from the Company to Mr. Way (i) on termination by the Company without cause; or (ii) on termination by Mr. Way with notice for good cause upon or within 12 months of a change of control of the Company, assuming the termination occurred on the financial year ended October 31, 2017, are \$200,000 in each situation.

Oversight and Description of Director and Named Executive Compensation

The objectives of the Company's executive compensation policy are to:

- Attract, retain and motivate executives critical to the success of the Company;
- Provide fair, competitive and cost effective compensation programs to its executives;
- Link the interests of management with those of the holders of Common Shares; and
- Provide rewards for outstanding corporate and individual performance.

Compensation of Named Executive Officer's is determined based on the recommendation of the Company's Compensation Committee which is comprised of Messrs. Mark Saxon and Michael Hudson, both of whom are independent directors of the Company.

Named Executive Officer Compensation

The Board determines Named Executive Officer compensation at the recommendation of the Compensation Committee, without reference to formal objectives, criteria or analysis, at the time of engagement of the Named Executive Officer and subsequently reviews compensation payable to a Named Executive Officer from time to time to ensure that total compensation paid to all Named Executive Officers is fair and reasonable. Compensation is comprised of a monthly payment and long-term incentive compensation, which is provided through the granting of stock options of the Company.

For the Company's financial year ended October 31, 2017, the significant element of compensation paid and awarded to Mr. Way was a salary paid to Mr. Way or to Ironbark, the significant elements of compensation paid and awarded to Mr. DeMare were a salary and fees paid to Chase in exchange for the services of Mr. DeMare as CFO of the Company and fees paid to Chase for rent and administrative and accounting services rendered to the Company. See "***Director and NEO Compensation, Excluding Options and Compensation Securities***" and "***Employment, Consulting and Management Agreements***". The base salary for each Named Executive Officer is based on the position held, the related responsibilities and functions performed by the executive and that are competitive and motivating, commensurate with the time spent by executive officers in meeting their obligations and reflective of compensation paid by companies similar in size and business to the Company. Individual and corporate performance is also taken into account in determining base salary levels for executives. The Board also relies on the Compensation Committee and its collective experience in similar lines of business when assessing compensation levels. The fees paid to Chase for rent and administrative and accounting services are based on rates that would be charged for such services by arm's length parties.

See “*Stock Option Plan and Other Incentive Plans*” for a discussion on incentive stock options that may be awarded to Named Executive Officers.

Director Compensation

The Board determines director compensation for the Company from time to time based on recommendations of the Compensation Committee. Directors of the Company other than Mr. Way are paid monthly fees for serving on the Board. Certain directors are paid fees for serving on committees of the Company but are not paid for attending any committee or Board meetings. See “*Director and NEO Compensation, Excluding Options and Compensation Securities*”. Directors are entitled to receive compensation from the Company to the extent that they provide other services to the Company and any such compensation is based on rates that would be charged by such directors for such services to arm’s length parties, from time to time. Directors are also entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. See “*Stock Option Plan and Other Incentive Plans*” for a discussion on incentive stock options that may be awarded to directors.

Pension

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance to directors, officers, employees and consultants in effect as of the end of the Company’s most recently completed fiscal year end:

Plan Category	Column (a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Column (b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Column (c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) ⁽¹⁾
Equity Compensation Plans Approved By Securityholders	6,152,500	0.39	2,717,918
Equity Compensation Plans Not Approved By Securityholders	N/A	N/A	N/A
Total	6,152,500	0.39	2,717,918

NOTE:

(1) Based on the total number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Option Plan being 10% of the issued and outstanding Common Shares from as at October 31, 2017.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at March 14, 2018, no director, executive officer, employee, proposed management nominee for election as a director of the Company, nor any associate of any such director, executive officer, or proposed management nominee of the Company, or any former director, executive officer or employee of the Company or any of its subsidiaries, was indebted to the Company or any of its subsidiaries, or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries in connection with a purchase of securities or otherwise.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out below and elsewhere in this Information Circular, none of the proposed directors, directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) or subsidiary of the Company, nor any person or company who beneficially owns, or controls or directs, directly or indirectly, Common Shares or a combination of both, carrying more than 10% of the voting rights attached to the outstanding Common Shares nor an associate or affiliate of any of the foregoing persons has since November 1, 2016 (the commencement of the Company's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITOR

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of D&H Group LLP, Chartered Professional Accountants, as the auditor of the Company. Pursuant to the Articles of the Company, the directors will set the remuneration of the auditor.

MANAGEMENT CONTRACTS

During the most recently completed financial year no management functions of the Company were, to any substantial degree, performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

AUDIT COMMITTEE

Under National Instrument 52-110 – *Audit Committees* (“NI 52-110”), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee's charter, the composition of the audit committee and the fees paid to the external auditor. This information is set out in the attached Schedule “A” to this Information Circular.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101, *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. The Company's approach to corporate governance is provided in Schedule “B” to this Information Circular.

The Board has adopted certain corporate governance policies to reflect the Company's commitment to good corporate governance, and to comply with NI 58-101, Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* and National Policy 58-201 – *Corporate Governance Guidelines*. The Board periodically reviews these policies and propose modifications to the Board for consideration as appropriate. The Company considers good corporate governance to be central to the effective and efficient management and operation of the Company, and the Board is directly responsible for developing the Company's approach to corporate governance issues. A discussion of the Company's governance practices within the context of NI 58-101 is set out in the attached Schedule “B” to this Information Circular.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Option Plan was last approved by shareholders on September 28, 2017. The TSXV requires shareholder approval of the Option Plan on a yearly basis.

The Option Plan is a rolling stock option plan, which makes a total of 10% of the issued and outstanding shares of the Company at any time available for issuance thereunder. The purpose of the Option Plan is to provide the Company with a share related mechanism to enable it to attract and retain qualified directors, officers, employees, management company employees and consultants, promote a proprietary interest in the Company and its affiliates among its employees, management company employees, officers, directors and consultants, and stimulate the active interest of such persons in the development and financial success of the Company and its affiliates. The Option Plan provides that it is solely within the

discretion of the Board to determine which directors, officers, employees, management consultant employees and consultants should receive options and in what amounts.

For a description of the Option Plan, as qualified in its entirety by the full text of the Option Plan which is available for review by any shareholder up until the day preceding the Meeting at the Company's head office at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia, and will be available at the Meeting, see "*Stock Option Plan and Other Incentive Plans*".

The Policies of the TSXV require that the Option Plan be approved by the affirmative vote of a majority of the votes cast at the Meeting. Accordingly, the Company requests that the shareholders pass the following resolution:

"RESOLVED, as an ordinary resolution, that:

1. the Company's stock option plan (the "**Option Plan**"), in the form last approved by shareholders on September 28, 2017, with or without amendments that may be required to conform to the policies of the TSXV or comply with rules and regulations of any other regulatory body having authority over the Company or the Option Plan, is hereby ratified, confirmed and approved;
2. the Company is authorized to grant stock options pursuant and subject to the terms and conditions of the Option Plan entitling all of the optionholders in aggregate to purchase up to such number of Common Shares of the Company as is equal to 10% of the number of Common Shares of the Company issued and outstanding on the applicable grant date; and
3. any one of the directors or officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commission forms, as may be required to give effect to the true intent of this resolution."

Management of the Company recommends that the shareholders vote in favour of the foregoing. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the foregoing resolution.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the Company's profile on the SEDAR website located at www.sedar.com and the Company's website at www.leadingedgematerials.com. The Company's financial information is provided in the Company's audited comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website or on the Company's website, as noted above. Shareholders of the Company may request copies of the Company's financial statements and related management discussion and analysis by contacting the Company at Leading Edge Materials Corp., at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3V7, attention Mariana Bermudez, Corporate Secretary; or by telephone: 604-685-9316.

Schedule “A”

AUDIT COMMITTEE

Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Company’s Audit Committee:

<u>Member</u>	<u>Independent</u> ⁽¹⁾	<u>Financially Literate</u> ⁽²⁾
Michael Hudson	Yes	Yes
Mark Saxon	Yes	Yes
Filip Kozlowski	Yes	Yes

NOTES:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

Relevant Education and Experience

The following is a summary of the Audit Committee members’ education and experience which is relevant to the performance of their responsibilities as an audit committee member:

Michael Hudson – Mr. Hudson has been actively developing junior exploration companies during the past 18 years in the Canadian and Australian markets. Mr. Hudson graduated from the University of Melbourne in 1991 with a B.Sc. (Honours) in Geology and has a Graduate diploma of Applied Finance and Investment through the Financial Services Institute of Australia (FINSIA).

Mark Saxon – Mr. Saxon has extensive experience working in the mining industry, including having held the position of President and CEO of a public-listed company and serving as director of several Canadian mineral exploration companies. Mr. Saxon graduated from the University of Melbourne in 1991 with a First Class Bachelor of Science (Hons) in Geology and has a Graduate Diploma of Applied Finance and Investment through the Financial Services Institute of Australia (FINSIA).

Filip Kozlowski – Mr. Kozlowski is a private consultant for wealth management and has experience in equity capital markets. Mr. Kozlowski graduated from the Stockholm School of Economics with a M.Sc. in Business Administration and a major in Finance.

In their positions with the Company and other mineral resource companies, members of the Audit Committee have been responsible for receiving information relating to other companies and obtaining an understanding of balance sheets, income statements and statements of cash flows and assessing the financial condition of companies and their operating results.

Each member has an understanding of the mineral exploration and mining business in which the Company is engaged and has an appreciation of the financial issues and accounting principals that are relevant in assessing the Company’s financial disclosures and internal control systems.

The Audit Committee Charter

The text of the Audit Committee’s Charter is as follows:

1. Purpose and Objectives

1.1 The Audit Committee will assist the Board in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit

process, and the Company's process for monitoring compliance with laws and regulations. In performing its duties, the Audit Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Audit Committee member will obtain an understanding of the responsibilities of Audit Committee membership as well as the Company's business, operations and risks.

2. Authority

2.1 The Board authorizes the Audit Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings as appropriate.

2.2 The Board will instruct its external auditors to report directly to the Audit Committee.

3. Composition, Procedures and Organization

Membership

3.1 The Audit Committee shall consist of at least three members of the Board, a majority of which are not officers, employees or control persons of the Company or any associates or affiliates of the Company.

3.2 The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.

3.3 Unless the Board shall have appointed a chair of the Audit Committee or in the event of the absence of the chair, the members of the Audit Committee shall elect a chair from among their number.

3.4 The secretary of the Audit Committee shall be designated from time to time from one of the members of the Audit Committee or, failing that, shall be the Company's corporate secretary, unless otherwise determined by the Audit Committee.

3.5 The Audit Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Meetings

3.6 The quorum for meetings shall be a majority of the members of the Audit Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

3.7 Meetings of the Audit Committee shall be conducted as follows:

- (a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Audit Committee. Special meetings shall be convened as required. The external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;
- (b) the chair of the Audit Committee shall be responsible for developing and setting the agenda for Audit Committee meetings and determining the time and place of such meetings;
- (c) the Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate; and
- (d) notice of the time and place of every meeting of the Audit Committee shall be given in writing to each member of the Audit Committee a reasonable time before the meeting.

3.8 The proceedings of all meetings of the Audit Committee will be minuted.

Procedures

3.9 The external auditors shall have a direct line of communication to the Audit Committee through its chair and may bypass management if deemed necessary. The Audit Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.

3.10 The Audit Committee shall have authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee and to communicate directly with the external auditors.

4. Roles and Responsibilities

4.1 The overall duties and responsibilities of the Audit Committee shall be as follows:

- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements;
- (b) to establish and maintain a direct line of communication with the Company's external auditors and assess their performance; and
- (c) to ensure that the management of the Company's has designed, implemented and is maintaining an effective system of internal financial controls.

4.2 The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:

- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
- (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors and ensure no unjustifiable restrictions or limitations have been placed on the scope;
- (c) to review the audit plan of the external auditors prior to the commencement of the audit;
- (d) to approve in advance the provision of non-audit services provided by the external auditors;
- (e) to review with the external auditors, upon completion of their audit:
 - (i) the content of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Company's financial and auditing personnel;
 - (iv) internal resources used;
 - (v) significant transactions outside of the normal business of the Company;
 - (vi) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and

- (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles.

4.3 The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Company shall be as follows:

- (a) to review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
- (b) to review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
- (c) to periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

4.4 The Audit Committee is also charged with the responsibility to:

- (a) review the annual and quarterly financial statements, including Management's Discussion and Analysis with respect thereto, and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are completed and consistent with the information known to the Audit Committee;
- (b) evaluate the fairness of the interim financial statements and related disclosures including the associated Management's Discussion and Analysis, and obtain explanations from management on whether:
 - (i) actual financial results for the interim period varied significantly from budgeted or projected results;
 - (ii) generally accepted accounting principles have been consistently applied;
 - (iii) there are any actual or proposed changes in accounting or financial reporting practices; and
 - (iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider adequacy of that disclosure.
- (c) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form (if any);
 - (iii) prospectuses (if any); and
 - (iv) other public reports requiring approval by the Board;and report to the Board with respect thereto;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

- (e) review the minutes of any Audit Committee meeting;
- (f) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (g) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of material facts;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company; and
- (i) establish a procedure for:
 - (i) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (ii) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above in the text of the Company's Audit Committee Charter under the heading "Roles and Responsibilities".

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
2017	\$40,800	Nil	Nil	Nil
2016	\$42,840	\$8,050	Nil	\$840

NOTES:

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees".
- (3) Fees billed for preparation of Company's corporate tax return.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 which exempts venture issuers (as defined therein) from the requirements of Part 5 (*Reporting Obligations*) of that instrument.

Schedule “B”

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

NI 58-101 requires issuers to disclose their governance practices in accordance with that instrument. The Company is a “venture issuer” within the meaning of NI 58-101.

The Board has adopted certain corporate governance policies to reflect the Company’s commitment to good corporate governance, and to comply with NI 58-101, Form 58-101F2 - *Corporate Governance Disclosure (Venture Issuers)* and National Policy 58-201 - *Corporate Governance Guidelines*. The Board periodically reviews these policies and propose modifications to the Board for consideration as appropriate. The Company considers good corporate governance to be central to the effective and efficient management and operation of the Company, and the Board is directly responsible for developing the Company’s approach to corporate governance issues.

A discussion of the Company’s governance practices within the context of NI 58-101 is set out below:

Board of Directors

NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship with a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship with the Company.

The Board is currently comprised of four persons. Applying the definition set out in NI 52-110, as at the date of this Information Circular, three of the four members are independent. The members who are independent are Messrs. Mark Saxon, Michael Hudson and Filip Kozlowski. The Company has one director who is not independent because he is an executive officer of the Company, namely: Mr. Blair Way, President and CEO.

Directorships

As of March 14, 2018, the following directors of the Company are also serving as directors of other reporting issuers, details of which are as follows:

Blair Way: Aguila American Gold Limited

Michael Hudson: Mawson Resources Limited and Hannan Metals Ltd.

Mark Saxon: Mawson Resources Limited

Filip Kozlowski: None

Orientation and Continuing Education

The CEO and/or the CFO are delegated responsibly by the Board for providing an orientation to new directors and continuing education to directors. Director orientation and on-going training will include presentations by senior management to familiarize directors with the Company’s strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its principal officers and its independent auditors.

Ethical Business Conduct

In fulfilling its mandate and approving various decisions put forth by management, the Board ensures that the measures management takes comply with Canadian securities regulations and other applicable legislation. Board members are also keenly aware of their fiduciary role to the Company. In exercising their powers and discharging their duties, the Board is required to act honestly and in good faith with a view to the best interests of the Company,

and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

While the Company's business practices must be consistent with the business and social practices of the communities in which the Company operates, the Company believes that honesty is the essential standard of integrity in any locale. Thus, though local customs may vary, the Company's activities are to be based on honesty, integrity and respect. Each director, officer and employee is expected to comply with relevant corporate and securities laws and, where applicable, the terms of their employment agreements.

Nomination of Directors

As the Company's business evolves and expands, the Company will be required to nominate new members to the Board or increase the size of the Board and depth of expertise of the Board members. From time to time new directorships will be added in order to ensure that the Company continues to implement best practices and that the Company has access to the expertise required to run its operations in the most efficient manner possible. In addition, the Company will be required to replace existing directors from time to time. The Board has determined that the configuration of five directors is the appropriate number of directors, taking into account the number required to carry out duties effectively while maintaining a diversity of views and experience.

Compensation

The Company has a compensation committee (the "**Compensation Committee**") that currently consists of Mark Saxon (Chair) and Michael Hudson. The Compensation Committee implemented a written charter which was adopted by the Board on October 13, 2016. The Compensation Committee's mandate is to, among others:

- (a) discharge the Board's responsibilities relating to compensation of the Company's executive officers;
- (b) recommend levels of executive compensation that are competitive and motivating in order to attract, hold and inspire the chief executive officer, senior officers and other key employees and for recommending compensation for directors; and
- (c) administer the Company's stock option plan.

The Compensation Committee reviews and makes recommendations to the Board regarding the granting of stock options as well as compensation for executive officers and directors' fees, if any, from time to time. Executive officers and directors may be compensated in cash and/or equity for their expert advice and contribution towards the success of the Company. In addition to stock option grants, each director of the Company may be paid a fee per month in their capacity as a director. The form and amount of such cash compensation will be evaluated by the Compensation Committee, which will be guided by the following goals:

- (i) compensation should be commensurate with the time spent by executive officers and directors in meeting their obligations and reflective of the compensation paid by companies similar in size and business to the Company; and
- (ii) the structure of the compensation should be simple, transparent and easy for shareholders to understand. Shareholders will be given the opportunity to vote on all new or substantially revised equity compensation plans for directors as required by regulatory policies.

The Compensation Committee also performs any other duties or responsibilities delegated to the Compensation Committee by the Board from time to time relating to the Company's compensation programs.

Other Board Committees

In addition to the Audit and Compensation Committees, the Board established a Technical Committee on February 1, 2017.

Assessment of the Board, the Audit Committee and Directors

The Company does not currently have any formal procedures in place to assess the performance of the Board as a whole, the Audit Committee or the directors on an individual basis. However, informal discussion among the Board members and management serves to monitor the evaluation of each director's contribution to the Board and the Audit Committee.