

LEADING EDGE MATERIALS CORP.

WHISTLE BLOWER POLICY

Leading Edge Materials Corp. (the “**Company**”) has adopted this Whistleblower Policy (the “**Policy**”) to set out the procedures and contact information for employees and others to report any wrongdoing or suspected wrongdoing within the Company in order to allow the Company to maintain the highest ethical standards in the conduct of its business.

This Policy applies to all directors, officers and employees of the Company (collectively referred to as “**Company Personnel**”). For the purposes of this Policy, the term “**employees**” includes all permanent, contract, secondment and temporary agency employees who are on long term assignments with the Company, as well as consultants and contractors to the Company. This Policy is also intended to provide a method for other stakeholders (e.g. suppliers, customers and shareholders) to voice any concerns regarding the Company’s business conduct.

It is the policy of the Company to comply with, and require its Company Personnel to comply with, all applicable legal and regulatory requirements relating to the Company’s business, including its corporate reporting and disclosure, accounting and auditing controls and procedures, securities compliance and other matters pertaining to fraud against shareholders.

1. Background

Under Canadian securities laws, the audit committee (“**Audit Committee**”) of the board of directors of the Company (the “**Board**”) is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters; and
- (b) the confidential, anonymous submission by an individual employed by the Company of concerns regarding questionable accounting or auditing matters.

In connection with those requirements and with a view to encouraging ethical business conduct, the Company has adopted this Policy to ensure that:

- (a) complaints are received, investigated and retained on a confidential and anonymous basis that is in compliance with all applicable laws; and
- (b) individuals reporting a complaint will not be penalized or retaliated against for making a good-faith report of a complaint.

2. What is wrongdoing?

Wrongdoing involves any unlawful or otherwise improper behaviour (hereinafter referred to as “**Reportable Activity**”) and can include, without limitation:

- (a) An unlawful act whether civil or criminal;
- (b) Breach of, or failure to comply with, any approved Company policy;

- (c) Violation of federal or provincial laws or regulations that could result in fines or civil damages payable by the Company, or that could otherwise significantly harm the Company's reputation or image;
- (d) Unprofessional conduct or conduct that is below recognized, established standards of practice;
- (e) Questionable accounting or auditing practices;
- (f) Dangerous practice likely to cause physical harm/damage to any person/property;
- (g) Failure to rectify or take reasonable steps to report a matter likely to give rise to a significant and avoidable cost or loss to the Company;
- (h) Abuse of power or authority; or
- (i) Unfair discrimination in the course of employment or provision of services.

The above list is intended to give an indication of the kind of conduct which might be considered as "wrongdoing" and is neither definitive nor exhaustive.

2. Who is protected?

Any employee who makes a disclosure or raises a concern under this Policy will be protected if the employee:

- (a) Discloses the information in good faith;
- (b) Believes it to be substantially true;
- (c) Does not act maliciously or make knowingly false allegations; and
- (d) Does not seek any personal or financial gain.

Company Personnel should feel confident to report violations as described above or to assist in investigations of such alleged violations. The Company will not tolerate retaliation or discrimination of any kind by or on behalf of the Company and its Company Personnel against any individual making a good faith complaint of, or assisting in the investigation of, Reportable Activity. Anyone engaging in retaliatory conduct will be subject to disciplinary action by the Company, which may include termination.

More specifically, neither the Company, nor any person acting on behalf of the Company or in a position of authority in respect of Company Personnel, will take any disciplinary measure against, demote, terminate or otherwise adversely affect the employment of any Company Personnel or threaten to do so with the intent to compel an individual to abstain from reporting Reportable Activity to a law enforcement and/or regulatory authority or with the intent to retaliate against the employee because that individual has reported Reportable Activity to a law enforcement and/or regulatory authority. Engaging in retaliatory conduct may be considered an offence under various Canadian laws.

3. Reporting Concerns

Anyone with a complaint or concern about the Company should first seek guidance from the person in charge of the group which provides the relevant service to the Company. This depends however, on the seriousness and sensitivity of the issues involved and who is suspected of wrongdoing.

4. Reporting Accounting and Similar Concerns

Any concerns or questions regarding potential violations of any Company policy or procedure or applicable law, rules or regulations involving accounting, internal accounting controls or auditing matters should be directed to Michael Hudson, Chair of the Audit Committee of the Company, in writing (which may be done anonymously as set forth below in section 7), addressed as follows:

- (a) by mail or courier: Michael Hudson
1305 – 1090 West Georgia Street
Vancouver, BC V6E 3V7
(Marked “Confidential”)
- (b) by facsimile: Michael Hudson
604.683.1585
(anonymity cannot be maintained for facsimiles)
- (c) by email: Michael Hudson
michaelhudson@leadingedgematerials.com
(anonymity cannot be maintained for emails)

5. Communication Alternatives

With respect to matters relating to this Policy, any officer or employee may communicate with the Company’s legal counsel, Ms. Cyndi Laval of Gowling Lafleur Henderson LLP, in writing (which may be done anonymously as set forth below in section 7), addressed as follows:

- (a) by mail or delivery: Ms. Cyndi Laval
c/o Gowling Lafleur Henderson LLP
Suite 2300 – 550 Burrard Street
Vancouver, BC V6C 2B5
(Marked “Confidential”)
- (b) by facsimile: Ms. Cyndi Laval
604.443.5629
(anonymity cannot be maintained for facsimiles)
- (c) by email: Ms. Cyndi Laval
cyndi.laval@gowlings.com
(anonymity cannot be maintained for emails)

6. Misuse of Reporting Channels

Employees must not use these reporting channels in bad faith or in a false or frivolous manner.

7. Reporting: Anonymity

When reporting concerns, the Company prefers that officers and employees identify themselves in order to facilitate the Company's ability to take appropriate steps to address the report, including conducting any appropriate investigation. However, the Company also recognizes that some people may feel more comfortable reporting a suspected violation anonymously.

If an officer or employee wishes to remain anonymous, he or she may do so, and the Company will use reasonable efforts to protect the confidentiality of the reporting person subject to applicable law, rule or regulation or to any applicable legal proceedings. In the event the report is made anonymously, however, the reports should provide as much detail as reasonably necessary to permit the Company to evaluate the matter(s) set forth in the anonymous report and, if appropriate, commence and conduct an appropriate investigation.

8. Investigation of Complaints

Upon receipt of a complaint alleging Reportable Activity, a determination will be made as to whether a reasonable basis exists for commencing an investigation into the Reportable Activity alleged in the complaint. If it is concluded that an investigation is warranted, appropriate measures shall be taken to implement a thorough investigation of the allegations as quickly as possible. It should be borne in mind that it may be necessary to refer a matter to an external agency and this may result in an extension of the investigative process. It should also be borne in mind that the seriousness and complexity of any complaint may have an impact on the time taken to investigate a matter. A designated person will indicate at the outset the anticipated time frame for investigating the complaint.

All investigations shall be carried out in a manner to ensure confidentiality of the matter and shall involve only those individuals who need to be involved in order to conduct the investigation. If requested by the complainant, the investigation shall be carried out in a manner to protect the anonymity of the complainant.

9. Corrective Action

The Audit Committee is ultimately responsible for determining the validity of each complaint and implementing the appropriate corrective action, with the input of its advisors and management, if requested. The Audit Committee shall report any legal or regulatory non-compliance to management and ensure that management takes corrective action including, where appropriate, reporting any violation to relevant governmental authorities.

Any Company Personnel deemed to have committed Reportable Activity may be subject to disciplinary action, up to and including termination.

10. Publicizing the Process for Reporting

A copy of the Policy will be distributed to all of the Company's directors, officers, employees and key consultants. The Company will also make known to Company Personnel and members of the public the process for reporting on an anonymous and confidential basis on an ongoing basis. This information will make it clear that no Company Personnel will be penalized for making a good-faith report of Reportable Activity nor will the Company tolerate retaliation against an

individual who makes a good-faith report of Reportable Activity. The Company will also periodically (at least annually) communicate reminders to Company Personnel of the process for reporting Reportable Activity. This may be accomplished by electronic or other means, including, for example, email, written memos and newsletters.

11. Retention of Complaints and Documents

All investigations of Reportable Activity will be fully documented in writing by the person(s) designated to investigate the Reportable Activity. The Audit Committee shall retain all documents and records regarding any Reportable Activity for a period of seven years. Such documentation will be available for inspection by members of the Audit Committee, the external auditors and any external legal counsel of the Company and other advisors to the Company hired in connection with the investigation of the Reportable Activity. Disclosure of such documentation to any other person, and in particular any third party, will require the prior approval of the Chair of the Audit Committee to ensure that privilege of such documentation is properly maintained.

It is illegal and against the Company's Corporate Governance Policy to destroy any corporate audit or other records that may be subject to or related to an investigation by the Company or any federal, provincial or regulatory body.

12. Compliance with the Policy

All Company Personnel must follow the procedures outlined in the Policy and cooperate with any investigation initiated pursuant to the Policy. Adherence to the Policy is a condition of employment. The Company must have the opportunity to investigate and remedy any alleged Reportable Activity, and Company Personnel must ensure that the Company has an opportunity to undertake such an investigation.

The Policy should not be construed as preventing, limiting or delaying the Company from taking disciplinary action against any individual, up to and including termination, in circumstances (such as, but not limited to, those involving problems of performance, conduct, attitude or demeanor) where the Company deems disciplinary action appropriate.

13. Review of Policy

The Policy will be reviewed by the Company annually and updated as required.

14. Inquiries

Any questions with respect to the general application of the Policy should be made to the Corporate Secretary of the Company.

15. General

Nothing in this Policy should be construed or interpreted as limiting, reducing or eliminating the obligation of any director, officer or employee of the Company to comply with all applicable laws. Conversely, nothing in this Policy should be construed or interpreted as expanding applicable standards of liability under provincial or federal law for directors or officers of the Company.

This Policy was last updated on January 31, 2019