



NOTICE OF ANNUAL GENERAL MEETING AND MANAGEMENT INFORMATION CIRCULAR

Wednesday, April 21, 2021



LEADING EDGE MATERIALS CORP.

1305 – 1090 West Georgia Street, Vancouver, BC, V6E 3V7
T +1 604 685 9316 | www.leadingedgematerials.com
TSX.V: LEM | Nasdaq First North: LEMSE | OTCQB: LEMIF

Stockholm, Sweden, March 17, 2021

CEO'S LETTER TO THE SHAREHOLDERS

Dear Shareholders and Stakeholders,

When I was offered the opportunity to become the Chief Executive Officer of Leading Edge Materials in May last year the world had just been upended by the COVID pandemic and clean energy raw material stocks were suffering from a multi-year decline in sentiment. Today, less than 12 months later, vaccination programs are being rolled out across the globe and companies focused on raw materials that drive the transition to climate neutrality are attracting significant interest again.

After an initial short-lived fall in demand and supply chain distortions momentum shifted dramatically during the second half of 2020. Governments around the world increased efforts to stimulate their economies due to the pandemic with the EU continuing supporting its Green Deal which is looking to mobilize €1trn of investments over the next decade. In the US, the new presidency under Joe Biden signed a number of climate related executive orders and more recently passed a \$1.9trn stimulus package skewed towards green investments. This combined with increasing demand for electric vehicles and limited supply of key battery materials, including cobalt and lithium, which have then experienced strong moves upward since the beginning of this year. Similarly, prices for key magnet rare earth elements such as neodymium, praseodymium, dysprosium and terbium have risen sharply year on year due to strong demand and limited supply.

The pandemic also proved to be an alarm bell for over-reliance on single third countries for critical supplies. In September the European Commission launched an action plan on critical raw materials and formed the European Raw Materials Alliance to establish more resilient and sustainable value chains for critical raw materials that underpin the transition to climate neutrality. A number of media reports in 2021 have again underlined the risk of China limiting or cutting off supply for rare earth elements. At the same time, China proposed new regulations further cementing its control over the domestic rare earth industry.

On the corporate side, the Company in August raised \$3.5m in a private placement with continued support from long-term shareholders. Later in the year, two preliminary economic assessment studies were initiated on our Swedish projects.

For Woxna, the study is about demonstrating the potential added economic benefit of producing an active anode material for the lithium-ion industry based on last few years development of the required downstream processes. Woxna benefits from access to low cost green hydropower which offers a competitive advantage as sustainability is becoming increasingly important. To demonstrate this advantage we have also commissioned a life cycle assessment on the envisioned production from Woxna which aligns with the sustainable battery regulation announced by the European Commission in late 2020 that will enforce carbon footprint declarations on any batteries placed on the European market. There has been a constant flow of battery factory capacity announcements, most recently by Volkswagen announcing plans for six 40GWh battery plants by 2030 in Europe alone. With a built mine looking to add the downstream value add processing, and an ideal location logistically in Sweden, Woxna is in the right time and place to benefit from the expected exponential growth in graphite anode demand over the next decade.

For Norra Karr, the study is about maximizing the resource efficiency whilst minimizing the environmental footprint of the project in order to regain a social license in addition to potential improvements in the

economics of the project. Norra Karr is one of few heavy rare earth element projects of its kind globally, and the only project in Europe that could supply significant amounts of critical permanent magnet rare earths such as dysprosium and terbium. As Europe is urgently looking to support the development of its own rare earth magnet value chain to reduce reliance on China, Norra Kärr could be a key piece to solve that puzzle.

The results from these two studies, which are expected in the near future, will provide the basis for the next steps in development for each project. So we are looking at a very active remainder of 2021. Importantly, the studies will provide the details of what the investment case looks like for the projects which can then be communicated to the broader investment community.

Lastly, we entered an agreement to sell 100% of the Bergby Lithium project at attractive terms allowing us to direct all resources on our main two projects whilst continuing to wait for a final decision on the granting of an exclusive exploration license in Romania.

In summary, the new Board and Management in place since last spring is operating under the highest conviction that the steps described above and the plan going forward is the best way to create shareholder value. As such, the Company benefits from a high insider ownership and continued strong support from its shareholder base. I believe the Company is uniquely positioned to offer a highly convex exposure to the clearly emerging trends and stated political and social goals in the EU.

We are looking forward to the outcomes of the two PEA studies, expected shortly. Clearly, the best immediate path to create shareholder value is the responsible development of our two principal assets in Sweden, and we are incredibly excited to execute on this.

Yours Sincerely,

/s/ "Filip Kozlowski"

Filip Kozlowski
CEO

For further information, contact the Company at:

info@leadingedgematerials.com
www.leadingedgematerials.com

Follow us:

Twitter: <https://twitter.com/LeadingEdgeMtl>
Linkedin: <https://www.linkedin.com/company/leading-edge-materials-corp/>

Reader Advisory *This news release may contain statements which constitute "forward-looking information" under applicable Canadian securities laws, including statements regarding plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking information. Investors are cautioned that any such forward-looking information is not a guarantee of future business activities and involves risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking information as a result of various factors, including, but not limited to, fluctuations in market prices, successes of the operations of the Company, continued availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.*



LEADING EDGE MATERIALS CORP.

1305 – 1090 West Georgia Street, Vancouver, BC, V6E 3V7
T +1 604 685 9316 | leadingedgematerials.com
TSX.V: LEM | Nasdaq First North: LEMSE | OTCQB: LEMIF

NOTICE OF ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

TAKE NOTICE THAT an annual general meeting (the "Meeting") of the shareholders of Leading Edge Materials Corp. (the "Corporation") will be held at 1305 - 1090 West Georgia Street, Vancouver, B.C., V6E 3V7, on Wednesday, April 21, 2021 at 10:00 AM (Vancouver time) for the following purposes:

1. To receive the Chief Executive Officer's Report to the Shareholders of the Corporation;
2. To receive and consider the financial statements of the Corporation as at and for the year ended October 31, 2020, together with the report of the auditors thereon. Refer to "Particulars of Matters to be Acted Upon – Financial Statements" set forth in the accompanying management information circular and proxy statement dated March 17, 2021 (the "Management Proxy Circular");
3. to fix the number of directors of the Corporation to be elected at the Meeting. Refer to "Election of Directors" in the accompanying Management Proxy Circular;
4. to elect the directors of the Corporation for the ensuing year. Refer to "Election of Directors" in the accompanying Management Proxy Circular;
5. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to determine the remuneration to be paid to the auditors. Refer to "Appointment of Auditors" in the accompanying Management Proxy Circular; and
6. to consider and, if deemed advisable, pass an ordinary resolution, ratifying, adopting and re-approving the stock option plan of the Corporation allowing the granting of up to 10% of the Corporation's issued and outstanding common shares at any time and authorizing the Corporation's board of directors to make any amendments thereto that may be required for the purpose of obtaining the approval of applicable securities regulatory authorities or stock exchanges. Refer to "Particulars of Matters to be Acted Upon – Ratification and Re-Approval of Stock Option Plan" in the accompanying Management Proxy Circular.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate the potential risks to the health and safety associated with COVID-19, shareholders are strongly encouraged to vote on the matters before the Meeting by proxy rather than attend the meeting in person.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying Management Proxy Circular.

A shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are requested to date, sign and return the accompanying instrument of proxy, or other appropriate form of proxy, in accordance with the instructions set forth in the accompanying Management Proxy Circular. An instrument of proxy will not be valid unless it is deposited at the offices of Computershare Investor Services Inc. (Attention: Proxy Department) at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed self-addressed envelope, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting, or any adjournment thereof. An instrument of proxy may also be voted using a touch-tone telephone at 1-866-732-VOTE (8683). Alternatively, a registered shareholder can complete internet voting by logging on at www.investorvote.com and entering the CONTROL NUMBER located on the address box of the shareholder's instrument of proxy. A person appointed as proxy holder need not be a shareholder of the Corporation.

Only shareholders of record as at the close of business on March 17, 2021 are entitled to receive notice of and vote at the Meeting.



**LEADING EDGE
MATERIALS**

LEADING EDGE MATERIALS CORP.

1305 – 1090 West Georgia Street, Vancouver, BC, V6E 3V7

T +1 604 685 9316 | leadingedgematerials.com

TSX.V: LEM | Nasdaq First North: LEMSE | OTCQB: LEMIF

SHAREHOLDERS ARE CAUTIONED THAT THE USE OF THE MAIL TO TRANSMIT PROXIES IS AT EACH SHAREHOLDER'S RISK.

DATED at Vancouver, British Columbia as of March 17, 2021.

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ "Filip Kozlowski"

Filip Kozlowski, Chief Executive Officer

LEADING EDGE MATERIALS CORP.

Management Information Circular and Proxy Statement

Unless otherwise stated, information contained herein is given as of March 17, 2021. All references to dollar amounts herein are references to Canadian dollars unless otherwise indicated.

INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING

Solicitation of Proxies

This management information circular and proxy statement (the "Management Proxy Circular") is furnished in connection with the solicitation of proxies by the management of Leading Edge Materials Corp. (the "Corporation") for use at the annual general meeting (the "Meeting") of the holders (the "Shareholders") of common shares ("Common Shares") of the Corporation to be held at 1305 - 1090 West Georgia Street, Vancouver, B.C., V6E 3V7, on Wednesday, April 21, 2021 at 10:00 AM (Vancouver time), for the purposes set forth in the notice of annual general meeting (the "Notice") accompanying this Management Proxy Circular. Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, internet, facsimile or oral communication by the directors, officers and regular employees of the Corporation, at nominal cost. All costs associated with the solicitation of proxies will be borne by the Corporation.

Caution Concerning COVID-19 Pandemic

As at the date of this Management Proxy Circular, it is the intention of the Corporation to hold the Meeting at the location stated in its Notice. We are continuously monitoring the development of the current coronavirus disease ("COVID-19") pandemic. In light of the rapidly evolving public health guidelines related to COVID-19, we ask Shareholders to consider voting their Common Shares by proxy and not attend the Meeting in person. Those Shareholders wishing to attend the Meeting in person must call the Corporate Secretary of the Corporation at 1.604.685.9316 at least 48 hours prior to the date of the Meeting for further instructions and should carefully consider and follow the instructions of the federal Public Health Agency of Canada available at: <https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/guidance-documents.html>

We ask that Shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. The Corporation reserves the right to deny access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All Shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the Management Proxy Circular.

Appointment of Proxyholders

Accompanying this Management Proxy Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy for Shareholders must be mailed so as to reach or be deposited at the offices of Computershare Investor Services Inc. (Attention: Proxy Department) at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the Meeting or any adjournment thereof.** An instrument of proxy may also be voted using a touch - tone telephone at 1-866-732-VOTE (8683). Alternatively, a registered shareholder can complete internet

voting by logging on at www.investorvote.com and entering the CONTROL NUMBER located on the address box of the Shareholder's instrument of proxy.

The persons designated in the instrument of proxy are officers and directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons designated in the accompanying instrument of proxy, to attend at and represent the Shareholder at the Meeting. To exercise this right, a Shareholder should insert the name of the designated representative in the blank space provided on the instrument of proxy and strike out the names of management's nominees. Alternatively, a Shareholder may complete another appropriate instrument of proxy.**

Signing of Proxy

The instrument of proxy must be signed by the Shareholder or the Shareholder's duly appointed attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the Corporation. An instrument of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

Revocability of Proxies

A Shareholder who has submitted an instrument of proxy may revoke it at any time prior to the exercise thereof. In addition to any manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her duly authorized attorney or, if the Shareholder is a corporation, under its corporate seal or executed by a duly authorized officer or attorney of the corporation and deposited either: (i) at the registered office of the Corporation at 1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, Canada, at any time up to and including the last business day preceding the day of the Meeting, or any adjournments thereof, at which the instrument of proxy is to be used; or (ii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. In addition, an instrument of proxy may be revoked: (i) by the Shareholder personally attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation, by a duly authorized representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.

Voting of Proxies and Exercise of Discretion by Proxyholders

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the instrument of proxy will be voted in accordance with such instructions. The management designees named in the accompanying instrument of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing him or her on any ballot that may be called for at the Meeting. **In the absence of such direction, such Common Shares will be voted "FOR" the proposed resolutions at the Meetings. The accompanying instrument of proxy confers discretionary authority upon the persons named therein with respect to amendments of or variations to the matters identified in the accompanying Notice and with respect to other matters that may properly be brought before the Meeting.** In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management designees to vote in accordance with their best judgment on such matters or business. At the time of printing this Management Proxy Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the accompanying Notice.

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

Except as disclosed elsewhere in this Management Proxy Circular, none of the directors or senior officers of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on, other than the election of directors. Directors and executive officers may be interested in the annual approval of the Stock Option Plan as detailed below. See "Particulars of Matters to be Acted Upon – Ratification and Re-Approval of Stock Option Plan".

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Shares, Record Date and Principal Shareholders

As at the date of this Management Proxy Circular, the authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is March 17, 2021 (the "Record Date"). As at the Record Date, there were 146,960,500 Common Shares issued and outstanding as fully paid and non-assessable, each carrying the right to one vote, and no preferred shares issued or outstanding.

To the knowledge of the directors and senior officers of the Corporation, the following are the only persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Corporation as of the close of business on March 17, 2021:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage</u>
Eric Krafft (Director of the Corporation)	46,704,404	31.78%

Common Shares

The holders of Common Shares are entitled to notice of and to vote at all annual general meetings and special meetings of shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per Common Share. The holders of Common Shares are entitled to receive such dividends as the board of directors of the Corporation (the "Board of Directors" or the "Board") declares and, upon liquidation, to receive such assets of the Corporation as are distributable to holders of Common Shares.

Voting of Common Shares – General

Only Shareholders whose names are entered in the Corporation's register of shareholders at the close of business on the Record Date and holders of Common Shares issued by the Corporation after the Record Date and prior to the Meeting will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case the transferee shall be entitled to vote his or her Common Shares 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, or who is holding a proxy on behalf of a Shareholder who is not present at the Meeting, 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 his, her or its name.

Voting of Common Shares – Advice to Non-Registered Holders

Only registered holders of Common Shares, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a "Non-Registered Holder") are registered either:

- a) In the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with, in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIAs, RESPs and similar plans; or
- b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or "CDS").

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice, Management Proxy Circular and the instrument of proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service corporation (such as Broadridge Financial Solutions, Inc. ("Broadridge")) to forward meeting materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive meeting materials will:

- a) have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form; voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through Internet based voting procedures; or
- b) less typically, be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare Investor Services Inc. at the address referred to above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.**

This Management Proxy Circular and accompanying materials are being sent to both registered Shareholders and Non-Registered (beneficial) Shareholders. Beneficial shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("Objecting Beneficial Owners", or "OBOs") and those who do not object to their identity being made known to the issuers of the securities they own ("Non-Objecting Beneficial Owners", or "NOBOs"). Subject to the provision of 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 Corporation 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 Corporation's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above.

The Corporation has decided to take advantage of the provisions of NI 54-101 that permit it to deliver the Meeting Materials directly to its NOBOs. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding 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 Corporation, 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. The Transfer Agent will tabulate the results of the VIF's received from the Corporation's NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIF's they receive.

The Corporation is not sending its proxy-related materials to the registered Shareholders or Non-Registered (beneficial) Shareholders using "notice and access", as defined in NI 54-101.

The Corporation does not intend to pay for Intermediaries to deliver the proxy-related materials and Form 54-101F7 to OBOs, as defined under NI 54-101. As a result, OBOs will not receive the Meeting Materials unless the OBOs intermediary assumes the costs of delivery.

Only registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set above.

ELECTION OF DIRECTORS

Fixing the Number of Directors

At the Meeting, the Shareholders will be asked to fix the number of directors of the Corporation to be elected at three (3) and elect three (3) directors for the ensuing year.

Approval of the number of directors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of fixing the number of directors at 3.

Nominees

The persons named below are the nominees of management for election as directors. The term of office of each of the present directors expires at the Meeting. Management of the Corporation proposes to nominate the persons named below for election as directors of the Corporation at the Meeting, to serve until the next annual meeting of the Shareholders of the Corporation, unless their office is earlier vacated. All of the nominees are currently members of the Board of Directors of the Corporation.

Approval of the election of directors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the election, as directors, of the nominees whose names are set forth below.** In the event that prior to the Meeting, any vacancies occur on the slate of nominees submitted herewith, it is intended that discretionary authority will be granted to vote proxies solicited by or on behalf of management for the election of any other person or persons as

directors. Management is not currently aware that any such nominees would not be willing to serve as director if elected.

The following information concerning the proposed nominees has been furnished by each of them:

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment⁽¹⁾	Director Since	Term of Office⁽²⁾	Number of Common Shares Beneficially Owned or directly or indirectly Controlled⁽³⁾
JOHANSSON, Lars-Eric ⁽⁴⁾⁽⁵⁾ London, United Kingdom Director	Self-employed businessman and Non-Executive Chairman of the Corporation since May 4, 2020. President and CEO of Ivanhoe Mines Ltd., from May 2007 to July 2019.	May 4, 2020	N/A	2,120,000
MAJOR, Daniel ⁽⁴⁾⁽⁵⁾ Kent, United Kingdom Director	Chief Executive Officer of GoviEx Uranium Inc. from October 2012 to present.	May 4, 2020	N/A	Nil
KRAFFT, Eric ⁽⁴⁾ Monaco Director	Self-employed private investor across a number of different industries.	May 4, 2020	N/A	46,704,404

Notes:

- Includes occupations for preceding five years unless the director was elected at the previous Annual General Meeting and was shown as a nominee for election as a director in the management information circular for that meeting.
- The Corporation does not have set terms of office for directors; rather, all directors who are elected hold office until the next annual general meeting of the Corporation.
- The information, as of the Record Date, as to the number of Common Shares, carrying the right to vote in all circumstances, beneficially owned, directly or indirectly, or over which control or direction is exercised, has been furnished by the respective nominees. These figures do not include any securities that are convertible into or exercisable for Common Shares.
- Member of the Audit Committee.
- Member of the Compensation Committee.

Corporate Cease Trade Orders and Bankruptcies

Except as set forth below, none of the proposed directors (or any of their personal holding companies) of the Corporation:

- is, or during the ten years preceding the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company, including the Corporation, that:
 - was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - was subject to an order that was issued after the proposed director ceased to be a

director, chief executive officer or chief financial officer 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;

- (b) is, or during the ten years preceding the date of this Information Circular has been, a director or executive officer of any company, including the Corporation, 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 ten years preceding 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, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

For the purposes of paragraphs (a)(i) and (a)(ii) above, an “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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.

Mr. Major was a Director of Century Mining Corporation on May 27, 2012, when the Superior Court of Québec appointed a receiver to take control of its assets.

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 which would likely be considered important to a reasonable security holder of the Corporation in deciding whether to vote for a proposed director.

Conflicts of Interest

The directors and officers of the Corporation may, from time to time, be involved with the business and operations of other issuers, in which case a conflict of interest may arise between their duties as officers and directors of the Corporation and as officer and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such procedures and remedies, as applicable, under the *Business Corporations Act* (British Columbia).

STATEMENT OF EXECUTIVE COMPENSATION

In accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*, the Canadian Securities Administrators have issued guidelines on executive compensation disclosure for venture issuers as set out in Form 51-102F6V. The objective of the disclosure is to communicate the compensation the Corporation paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. The disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Corporation and will help Shareholders understand how decisions about executive compensation are made. The Corporation’s approach to executive compensation is set forth below.

Director and Named Executive Officer Compensation

Executive compensation is required to be disclosed for each (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) the most highly compensated executive officers (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year whose total compensation was, individually, more than \$150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year (the "Named Executive Officers" or "NEO's").

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid or accrued, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation or any subsidiary thereof, to each Named Executive Officer and director of the Corporation, for each of the two most recently completed financial years ended October 31, 2020 and 2019.

Table of compensation excluding compensation securities							
Name and position ⁽¹⁾	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$)	Total compensation (\$)
JOHANSSON, Lars-Eric ⁽³⁾ <i>Non-Executive Chairman and Director</i>	2020	15,000	Nil	Nil	Nil	Nil	15,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
MAJOR, Daniel ⁽³⁾ <i>Director</i>	2020	15,000	Nil	Nil	Nil	Nil	15,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
KRAFFT, Eric ⁽³⁾ <i>Director</i>	2020	15,000	Nil	Nil	Nil	Nil	15,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
KOZLOWSKI, Filip ⁽⁴⁾ <i>CEO and former Director</i>	2020	162,473	Nil	Nil	Nil	Nil	162,473
	2019	30,000	Nil	Nil	Nil	Nil	30,000
HUDSON, Michael ⁽⁵⁾ <i>Former Non-Executive Chairman and Director</i>	2020	15,000	Nil	Nil	Nil	Nil	15,000
	2019	30,000	Nil	Nil	Nil	Nil	30,000
SAXON, Mark ⁽⁶⁾ <i>Former Interim President, CEO and Director</i>	2020	72,000 ⁽⁶⁾	Nil	Nil	Nil	Nil	72,000 ⁽⁶⁾
	2019	144,000 ⁽⁶⁾	Nil	Nil	Nil	Nil	144,000 ⁽⁶⁾
DEMARE, Nick ⁽⁷⁾ <i>CFO and Corporate Secretary</i>	2020	30,000	Nil	Nil	Nil	59,820 ⁽⁷⁾	89,820
	2019	30,000	Nil	Nil	Nil	57,120 ⁽⁷⁾	87,120

Notes:

1. If an individual is a NEO and a director, both positions have been listed.
2. Includes perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are greater than (a) \$15,000, if the NEO or director's total compensation for the financial year is \$150,000 or less; (b) 10% of the NEO or director's salary for the financial year, if the NEO or director's

total compensation for the financial year is greater than \$150,000 but less than \$500,000; (c) \$50,000, if the NEO or director's total for the financial year is \$500,000 or greater.

3. Messrs. Lars-Eric Johansson, Daniel Major and Eric Krafft were appointed directors of the Corporation effective May 4, 2020. In addition, Mr. Johansson was also appointed as Non-Executive Chairman.
4. On May 4, 2020, Mr. Kozlowski was appointed CEO and resigned as a director.
5. Mr. Hudson resigned as Non-Executive Chairman and director on May 4, 2020.
6. Of this amount, Mr. Saxon received \$15,000 (2019 - \$30,000) for serving as a Board member. Mr. Saxon resigned from his position as Interim President, Interim CEO and Director on May 4, 2020.
7. Of this amount, the Corporation was charged \$55,800 (2019 - \$53,100) by Chase Management Ltd. ("Chase"), a private Corporation wholly-owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, exclusive of Mr. DeMare, and \$4,020 (2019 - \$4,020) for rent. Mr. DeMare resigned as the Corporations' CFO on March 1, 2021. Mr. DeMare continues to serve as the Corporation's Corporate Secretary.

External Management Companies

Please refer to "Employment, Consulting and Management Agreements" below for disclosure relating to any external management Corporation employing, or retaining individuals, acting as Named Executive Officers of the Corporation, or that provide the Corporation's executive management services and allocate compensation paid to any Name Executive Officer or director.

Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued by the Corporation, or any subsidiary thereof, to each director and Named Executive Officer in the most recently completed financial year ended October 31, 2020 for services provided or to be provided, directly or indirectly, to the Corporation or any subsidiary thereof.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversation or exercise price (\$) ⁽²⁾	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
JOHANSSON, Lars-Eric ⁽³⁾ <i>Non-Executive Chairman and Director</i>	Stock Options	900,000 6.14%	August 11, 2020	0.155	0.155	0.175	August 11, 2023
MAJOR, Daniel ⁽⁴⁾ <i>Director</i>	Stock Options	900,000 6.14%	August 11, 2020	0.155	0.155	0.175	August 11, 2023
KRAFFT, Eric ⁽⁵⁾ <i>Director</i>	Stock Options	1,400,000 9.56%	August 11, 2020	0.155	0.155	0.175	August 11, 2023
KOZLOWSKI, Filip ⁽⁶⁾ <i>CEO and former Director</i>	Nil	Nil	N/A	N/A	N/A	N/A	N/A
DEMARE, Nick ⁽⁷⁾ <i>CFO and Corporate Secretary</i>	Stock Options	50,000 0.34%	August 11, 2020	0.155	0.155	0.175	August 11, 2023

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$) ⁽²⁾	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
HUDSON, Michael ⁽⁸⁾ <i>Former Non-Executive Chairman and Director</i>	N/A	Nil	N/A	Nil	Nil	N/A	N/A
SAXON, Mark ⁽⁹⁾ <i>Former Interim President, CEO and Director</i>	N/A	Nil	N/A	Nil	Nil	Nil	N/A

Notes:

- Each compensation security is exercisable into one Common Share. The percentage of the number of compensation securities granted is based on the Corporation having 14,969,050 total option-based awards which represents 10% of 146,467,391 Common Shares issued and outstanding as at the Corporation's most recently completed fiscal year end October 31, 2020. The compensation securities are not subject to vesting provisions.
- The exercise price of a stock option is determined based on the trading day immediately preceding the day on which the stock option is granted, less any allowable discount, if applicable, pursuant to TSX Venture Exchange policies. No compensation security has been re-priced, cancelled or replaced, has had its term extended, or has otherwise been materially modified, in the most recently completed financial year.
- As at October 31, 2020, Mr. Johansson held 900,000 stock options of the Corporation that entitle him to acquire upon exercise 900,000 Common Shares.
- As at October 31, 2020, Mr. Major held 900,000 stock options of the Corporation that entitle him to acquire upon exercise 900,000 Common Shares.
- As at October 31, 2020, Mr. Krafft held 1,400,000 stock options of the Corporation that entitle him to acquire upon exercise 1,400,000 Common Shares.
- As at October 31, 2020, Mr. Kozlowski held 650,000 stock options that entitle him to acquire upon exercise 650,000 Common Shares.
- As at October 31, 2020, Mr. DeMare held 870,000 stock options of the Corporation in his name, that entitle him to acquire upon exercise 870,000 Common Shares and, 230,000 stock options of the Corporation through Chase, that entitle him to acquire upon exercise 230,000 Common Shares.
- Mr. Hudson resigned as the Corporation's Non-Executive Chairman and director on May 4, 2020.
- As at October 31, 2020, Mr. Saxon held 1,150,000 stock options of the Corporation that entitle him to acquire upon exercise 1,150,000 Common Shares. Mr. Saxon resigned as interim President, CEO and director on May 4, 2020, but continues to provide consulting geological services to the Corporation. Subsequent to fiscal year end, Mr. Saxon exercised 200,000 stock options.

Exercise of Compensation Securities by Directors and NEOs

There were no exercises of compensation securities by directors or Named Executive Officers during the most recently completed financial year ended October 31, 2020.

Stock Option Plans and Other Incentive Plans

The Corporation has no other incentive plans other than its stock option plan (the “Option Plan”). The Corporation 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 Corporation by facilitating the efforts of the Corporation to retain and encourage key individuals and qualified parties to continue their association with the Corporation. The Option Plan provides that it is solely within the discretion of the Board 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 ten years after the issuance of such options.

The following is a summary of the material terms of the Option Plan:

1. Stock options may be granted to directors, officers, employees and consultants of the Corporation or any subsidiary of the Corporation and to eligible charitable organizations.
2. The maximum aggregate number of Common Shares reserved for issuance pursuant to the exercise of options granted under the Option Plan shall be 10% of the outstanding issue as at the date of a stock option grant;
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 (unless the Corporation has obtained disinterested shareholder approval of such grants as required by the TSX Venture Exchange), 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 of the Corporation (unless the Corporation has obtained disinterested shareholder approval of such grants as required by the TSX Venture Exchange).
4. The aggregate number of options granted to any one consultant of the Corporation within any twelve - month period must not exceed 2% of the issued and outstanding Common Shares of the Corporation.
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 provisions.
6. 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 Common Shares traded through the facilities of the TSX Venture Exchange on the date prior to the date of grant, less allowable discounts, and, in any event, the exercise price per share will not be less than \$0.10, in accordance with the policies of the TSX Venture Exchange or, if the Common Shares are or become listed on a senior stock exchange, then such senior stock exchange.
7. The term of the options will not exceed ten years. If the option holder ceases to be a director of the Corporation or ceases to be employed by the Corporation (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 Corporation, 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 of the Board authorized to act on the Board's behalf, at its own discretion, extends the expiry of such options.

8. In the event that the optionee, shall cease to be a director, senior officer, employee, management issuer employee, or consultant of the issuer for termination for cause, the option shall terminate and shall cease to be exercisable upon such termination for cause.
9. 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 the earlier of one year from the optionee's death and the original expiry date of such option.
10. A charitable option 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.
11. If the option period for an option expires during a blackout period, the option period will be automatically extended to the date that is 10 business days after the expiry of the blackout period.
12. If and for so long as the shares are listed on the TSX Venture Exchange (excluding any senior stock exchange), options issued to consultants who perform investor relations activities will be subject to a vesting schedule of at least 12 months whereby no more than 25% of the options granted may be vested in any three month period.

As at the date of this Management Proxy Circular, the Corporation had 146,960,500 Common Shares issued and outstanding so that a maximum of 14,696,050 Common Shares would be available for issuance pursuant to the stock options granted under the Option Plan. Currently there are 9,515,000 stock options outstanding leaving 5,181,050 Common Shares available for grant of further options under the Option Plan.

The Option Plan was originally adopted by the shareholders of the Corporation in 2011 and most recently ratified by the shareholders of the Corporation in July 2020. In accordance with the policies of the TSX Venture Exchange, a rolling plan requires the approval of the Shareholders of the Corporation on an annual basis. Accordingly, the Corporation will be seeking the approval of its Shareholders to the ratification of the Option Plan at the Meeting. See "Particulars of Other Matters to be Acted Upon – Ratification and Re-Approval of Stock Option Plan".

Employment, Consulting and Management Agreements

Management functions of the Corporation are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted. Other than as disclosed below, there were no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Corporation or any of its subsidiaries that were: (a) performed by a director or named executive officer; or (b) performed by any other party but are services typically provided by a director or a named executive officer.

Compensation of Mr. Filip Kozlowski, Chief Executive Officer

The Corporation entered into an employment agreement (the "**Employment Agreement**") with Mr. Filip Kozlowski effective May 4, 2020. Pursuant to the Employment Agreement, Mr. Kozlowski provides the services of Chief

Executive Officer to the Corporation and receives a basic annual salary equivalent to C\$204,000 ("**Annual Salary**") payable in Swedish Krona, exclusive of social security and employer contributions pursuant to tax laws in Sweden. Mr. Kozlowski may also participate in the Option Plan. In the event the Corporation terminates the Employment Agreement without cause or Mr. Kozlowski terminates the Employment Agreement for Good Reason (as defined in the Employment Agreement), Mr. Kozlowski's will be entitled to receive a lump sum payment equal to one-fourth of his Annual Salary in effect as at the date of termination. In the event the Employment Agreement is terminated by either the Corporation without cause or by Mr. Kozlowski for Good Reason within six months of a Change of Control (as defined in the Employment Agreement), Mr. Kozlowski will be entitled to receive a lump sum payment equal to half of his Annual Salary in effect as at the date of termination.

Oversight and Description of Director and Named Executive Officer Compensation

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

- Attract, retain and motivate executives critical to the success of the Corporation;
- 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.

Director Compensation

The Board determines director compensation from time to time in its sole discretion. Directors of the Corporation are currently paid monthly fees of \$2,500 for serving on the Board. No Director of the Corporation is paid fees for serving on any committee of the Corporation. Directors 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 Corporation to the extent that they provide other services to the Corporation and any such compensation is based on rates that would be charged by such directors for such services to arm's length parties. 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.

Named Executive Officer Compensation

The Board reviews the compensation payable to the Named Executive Officers on an annual basis, or periodically if needed.

The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of high caliber to serve the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of the Named Executive Officers with the long-term interests of the Shareholders. These objectives are designed to ensure that the Corporation's business continues to grow and develop.

The Board of Directors sets the compensation received by the Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size and stage of development having similar assets, number of employees and market capitalization.

The Corporation compensates its Named Executive Officers based on their skill and experience levels and the existing stage of development of the Corporation. Named Executive Officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Corporation's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Board of Directors has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders: First, Named Executive Officers are paid a monthly consulting fee or salary determined by the Board of Directors, if appropriate; secondly, the Board of Directors awards Named Executive Officers long term incentives in the form of stock options, if appropriate; and thirdly, and only in special circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that Board believes results or is likely to result in a significant increase in shareholder value.

The base compensation of the Named Executive Officers is reviewed and set annually by the Board of Directors. The Chief Executive Officer has substantial input in setting annual compensation levels. The Chief Executive Officer is directly responsible for the financial resources and operations of the Corporation. In addition, the Chief Executive Officer and Board of Directors from time to time determine the stock option grants to be made pursuant to the Option Plan. Previous grants of stock options are taken into account when considering new grants. The Board of Directors awards bonuses at its sole discretion. The Board of Directors has not set any performance criteria or objectives.

The Board of Directors considers the implications of the risks associated with the Corporation's compensation policies and practices when determining rewards for its Named Executive Officers, and ensures that those policies do not encourage management to take inappropriate or excessive risks. The Board of Directors does not believe that there are any risks arising from the compensation programs that would be reasonably likely to have a material adverse effect on the Compensation.

Neither Named Executive Officers nor directors are permitted to take any derivative or speculative positions in the Corporation's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Corporation's securities.

Compensation for the most recently completed financial year should not be considered as an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Corporation's financial resources and prospects.

Pension Disclosure

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement for its directors or Named Executive Officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the end of the Corporation's most recently completed financial year ended October 31, 2020 with respect to the Option Plan, which is the only compensation plan under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽²⁾ (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	10,008,109	\$0.34	4,638,630
Equity compensation plans not approved by securityholders	N/A	NA	N/A

Total	10,008,109	\$0.34	4,638,630
--------------	------------	--------	-----------

Notes:

1. The Option Plan provides that the aggregate number of securities reserved for issuance under the Option Plan may not exceed 10% of the issued and outstanding shares of the Corporation at the time of granting of options. As at the Record Date, there were 146,960,500 Common Shares issued and outstanding and 9,515,000 outstanding options, with the result that 5,181,050 options were available to the Corporation to be granted.
2. Any warrants outstanding as at October 31, 2020 were issued in connection with previous equity financings, and not in connection with an equity compensation plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed nominee for election as director, executive officer or their respective associates or affiliates, other management of the Corporation, employees, or former executive officers, directors or employees were indebted to the Corporation or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, as of the end of the most recently completed financial year or as at the date hereof, other than routine indebtedness.

DIRECTORS' AND OFFICERS' INSURANCE

The Corporation has purchased, at its expense, directors' and officers' liability insurance for the protection of its directors and officers against liability incurred by them in their capacities as directors and officers of the Corporation and its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out below and elsewhere in this Management Proxy Circular, none of the proposed directors, directors or executive officers of the Corporation, a director or executive officer of a person or Corporation that is itself an informed person (as defined in National Instrument 51-102 - Continuous Disclosure Obligations) or subsidiary of the Corporation, nor any person or Corporation 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, 2019 (being the commencement of the Corporation's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

During fiscal year 2020, Mr. Eric Krafft, a director of the Corporation, participated in two non-brokered private placement financings undertaken by the Corporation (the "Private Placements"). Pursuant to the Private Placements, Mr. Krafft acquired the following:

- (i) 13,000,000 units on December 30, 2019 (the "2019 Units"), with each 2019 Unit comprised of one Common Share of the Corporation and one share purchase warrant exercisable until December 30, 2023, to acquire one additional Common Share of the Corporation; and
- (ii) 24,150,000 units on August 7, 2020 (the "202 Units"), with each 2020 Unit comprised of one Common Share of the Corporation and one share purchase warrant exercisable until August 7, 2024, to acquire one additional Common Share of the Corporation.

Prior to completion of the Private Placements Mr. Krafft owned or exercised control or direction over 9,554,404 Common Shares and 2,500,000 share purchase warrants to acquire an additional 2,500,000 Common Shares. As a result of the issuance of the 2019 Units to Mr. Krafft, Mr. Krafft owned or exercised control or direction over

22,554,404 Common Shares, representing approximately 19.84% of the issued and outstanding Common Shares, and 15,500,000 share purchase warrants exercisable to acquire 15,500,000 Common Shares. As a result of the issuance of the 2020 Units to Mr. Krafft, Mr. Krafft now owns or exercises control of direction over 46,704,404 Common Shares, and 39,650,000 share purchase warrants exercisable to acquire an additional 39,650,000 Common Shares, representing approximately 31.78% of the issued and outstanding Common Shares on a non-diluted basis and 46.27% of the issued and outstanding Common Shares on a partially diluted basis assuming the exercise of the 39,650,000 warrants held by Mr. Krafft only. On closing of the August 2020 Private Placement, Mr. Krafft became a control person of the Corporation. As required by the Policies of the TSXV, the Corporation obtained Shareholder approval to the creation of a new control person at the last annual general meeting of the Corporation held on July 24, 2020.

CORPORATE GOVERNANCE

In accordance with the requirements of National Instrument 58-101 *Disclosure of Corporate Governance Practices* the Canadian Securities Administrators have issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2. The disclosure addresses matters relating to constitution and independence of directors, the functions to be performed by the directors of a corporation, their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices. The Corporation's approach to corporate governance is set forth below.

Compensation Committee

The purpose of the Compensation Committee is to assist the Board of Directors in discharging its responsibilities with respect to appointing, compensation and evaluating and planning for the succession of officers and other senior management personnel of the Corporation; and approving the Corporation's annual budget. The Charter of the Corporation's Compensation Committee is attached to this Management Proxy Circular as Schedule "B".

Board of Directors

In determining whether a director is independent, the Corporation primarily considers whether the director has a relationship which could, or could be perceived to, interfere with the director's exercise of independent judgement. For the purposes of this disclosure, a director is independent if he or she would be independent within the meaning of section 1.4 of National Instrument 52-110 *Audit Committees*.

The Board is currently composed of three (3) directors and all members of the current Board are the proposed nominees for election as director at the Meeting. The following table sets forth the nominees for appointment to the Board, their independence or non-independence and the basis for that determination:

Name	Independent	Basis for Determination of Independence ⁽¹⁾
JOHANSSON, Lars-Eric	Yes	No material relationship
MAJOR, Daniel	Yes	No material relationship
KRAFFT, Eric	Yes	No material relationship

Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have, or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.

Directorships in Other Reporting Issuers

Certain current and proposed directors of the Corporation are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as set forth in the following table:

Name	Name of Reporting Issuers
JOHANSSON, Lars-Eric	None
MAJOR, Daniel	GoviEx Uranium Inc.
KRAFFT, Eric	GoviEx Uranium Inc.

Orientation and Continuing Education

The Corporation has not developed an official orientation or training program for new directors, but they are encouraged to communicate with other directors, officers and employees as needed. New directors will have the opportunity to become familiar with the Corporation with full access to records, meeting with legal counsel, the auditors and various technical consultants. Orientation activities are tailored to the needs and expertise of each director and the overall needs of the Board. The Corporation does not have a formal program of continuing education for its directors but encourages its directors to attend continuing education seminars at the Corporation's expense, subject to prior approval by management of the Corporation. The Corporation also liaises with its legal counsel, auditors and other advisors to keep apprised of any developments and material changes to corporate governance and reporting policies affecting the Corporation and makes the directors aware of any such developments and changes.

Ethical Business Conduct

The Board encourages, monitors and promotes a culture of ethical business conduct of the Corporation and ensures that the Board complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. As the Corporation grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

The Corporation currently has the following policies in place for its directors, officers, employees and consultants:

- Corporate Disclosure Policy;
- Insider Trading Policy; and
- Whistleblower Policy

Shareholders may visit the Corporation's website at www.leadingedgematerials.com to view copies of the above noted policies.

Nomination of Directors

When there is a need to fill a position on the Board, either due to a vacancy or as required to carry out the Board's duties effectively and maintain a breadth of experience, the Compensation Committee assists the current directors with identifying individuals qualified to become new Board members and potential candidates for consideration.

Compensation

The Compensation Committee reviews the compensation payable to the Named Executive Officers on an annual basis, or periodically if needed, and makes recommendations to the Board of Directors. The Board has the ability to adjust and approve such compensation.

The following table sets forth the members of the Compensation Committee as of the Record Date, their independence or non-independence and the basis for that determination:

Name	Independent ⁽¹⁾
JOHANSSON, Lars-Eric	No material relationship
MAJOR, Daniel	No material relationship

Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.

Market comparisons, as well as evaluation of similar positions in different industries in the same geography, along with individuals experience and the diversity such individual brings to the Corporation's Board, are the criteria used in determining compensation.

Other Board Committees

The Board does not currently have any committees other than the Audit Committee and Compensation Committee.

Assessments

The Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors, its Audit Committee and its Compensation Committee, including reviewing the Board's decision-making processes and the quality of information provided by management.

AUDIT COMMITTEE

In accordance with the requirements of National Instrument 52-110 *Audit Committees*, the Canadian Securities Administrators have issued guidelines on annual disclosure for venture issuers, as set out in Form 52-110F2, concerning the constitution of the Corporation's Audit Committee and the relationship with its independent auditors. The Corporation's approach to its Audit Committee is set forth below.

Audit Committee Charter

The Charter of the Corporation's Audit Committee is attached to this Management Proxy Circular as Schedule "A".

Composition of the Audit Committee

The following table sets forth the members of the Audit Committee as of the Record Date, their independence or non-independence and the basis for that determination, and whether or not they are financially literate:

Name	Independent ⁽¹⁾	Financially Literate ⁽²⁾
JOHANSSON, Lars-Eric	No material relationship	Yes
MAJOR, Daniel	No material relationship	Yes
KRAFFT, Eric	No material relationship	Yes

Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.
2. Individual are financially literate if they have the ability to read and understand a set of financial statements that present a breadth and level 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 Corporation's financial statements.

Relevant Education and Experience

Each member of the Audit Committee brings unique education and experience relevant to the performance of their responsibilities and duties as an Audit Committee member. This includes, but is not limited to, an understanding of the accounting principles used by the Corporation to prepare its financial statements; the ability to assess the general application of accounting principles in connection with the accounting for estimates, accruals and provisions; experience preparing, auditing, analyzing or evaluating financial statements covering a breadth and level of complexity relative to the Corporation or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

The following sets forth the relevant education and experience of the members of the Audit Committee:

Name	Education	Experience
JOHANSSON, Lars-Eric	MBA from Gothenburg School of Economics.	Mr. Johansson has over thirty years of experience managing Canadian mining companies listed on major stock exchanges in Canada and the United States, including serving as CEO and President of Ivanhoe Mines from 2007 to 2019 and CFO and Executive Vice President of Kinross Gold Inc., Noranda Inc. and Falconbridge Ltd. from 1989 to 2006 and various Boliden companies in Sweden from 1983 to 1989. In addition, Mr. Johansson has held the position of Chair of the Audit Committee for several issuers including, Harry Winston (later named Consolidated Diamonds) from 2003 to 2009, Golden Star Corp from 2003 to 2005 and 2007 to 2010 and, Canadian Solar Inc. from 2006 to 2019.
MAJOR, Daniel	Mr. Major holds a Bachelor of Engineering Hons. - Mining Engineering. CFA Qualified, Financial Conduct Authority (UK) Activities 2,4,6 and 12.	Mr. Major has held positions of Equity Analyst with HSBC, JP Morgan Chase & Co - Platinum, Mining Diversified - rated top 3. In addition, Mr. Major has over 10 years of experience managing publicly trading companies in North America. Mr. Major also serves as a director of other publicly listed resource companies.
KRAFFT, Eric	Mr. Krafft holds a Master of Science, Shipping Trade & Finance from City, University of London, United Kingdom.	Mr. Krafft held the position of Corporate Finance, DVB Bank AG from 2002 to 2004. Mr. Krafft has over 15 years as Managing Owner/Director of numerous private ship-owning/operating companies and various financial investment holding companies.

Audit Committee Oversight

At no time since the commencement of the Corporation'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 of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on:

- (a) The exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*);
- (b) the exemption in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in Subsection 6.1.1(5) (*Events Outside Control of Member*);
- (d) the exemption in Subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services as described below under the heading "External Auditor Service Fees (By Category)"; however, such engagement is within the mandate of the Audit Committee.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation'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⁾
2020	\$40,000	Nil	Nil	Nil
2019	\$41,500	Nil	Nil	Nil

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 Corporation's financial statements which are not included under the heading "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (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

As a "venture issuer", the Corporation is relying on the exemption provided in Section 6.1 of NI 52-110.

APPOINTMENT OF AUDITORS

Unless otherwise directed, management designees named in the accompanying instrument of proxy intend to vote in favor of the appointment of D & H Group LLP, Chartered Professional Accountants, as auditors of the Corporation, to hold office until the close of the next annual meeting, at a remuneration to be determined by the Board of Directors. Approval of the appointment of the auditors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or represented by proxy at the Meeting. **Unless instructed otherwise, the management designees in the accompanying Instrument of Proxy intend to vote FOR the resolution.**

MANAGEMENT CONTRACTS

Other than as set forth in this Management Proxy Circular, at no time since the start of the Corporation's most recently completed financial year were any management functions of the Corporation or any subsidiary of the Corporation to any substantial degree performed by a person or Corporation other than the directors or executive officers of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Financial Statements

The audited financial statements of the Corporation for the year ended October 31, 2020 and the auditors' report thereon will be placed before the Shareholders at the Meeting for their consideration. Shareholders who wish to receive annual and interim financial statements are encouraged to send the enclosed notice, in the addressed envelope to Computershare Investor Services Inc. No formal action will be taken at the Meeting to approve the financial statements, which have been approved by the Board of Directors of the Corporation in accordance with applicable corporate and securities legislation. Any questions regarding the financial statements may be brought forward at the Meeting.

B. Ratification and Re-Approval of Stock Option Plan

For a summary of the Option Plan, please refer to the section within this Management Proxy Circular entitled "Stock Option Plans and Other Incentive Plans" or refer to Schedule "C" hereto where the text of the Option Plan is attached in its entirety. The Option Plan was previously approved by the Corporation's shareholders at the Annual General Meeting held July 24, 2020. The TSX Venture exchange requires shareholder approval of the Option Plan on a yearly basis.

The approval by Shareholders requires a favourable vote of a majority of the Common Shares voted in respect thereof at the Meeting. Options to purchase Common Shares that were previously granted to directors, officers and employees of the Corporation will be deemed to be granted under the Option Plan. **Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the resolution to ratify, adopt and re-approve the Option Plan.**

Accordingly, the Corporation requests that the Shareholders pass the following resolution:

"BE IT RESOLVED THAT:

1. the stock option plan (the "Option Plan") of the Corporation, as described in the management information circular and proxy statement of the Corporation dated March 17, 2021, as may be amended by the board of directors as required by applicable securities regulatory authorities or stock exchanges, is hereby ratified, confirmed and approved;
2. the Corporation 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 Corporation as is equal to 10% of the number of Common Shares of the Corporation issued and outstanding on the applicable grant date;
3. the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and
4. any one director or officer of the Corporation is authorized, on behalf of the Corporation, to execute and deliver all documents and do all things as such person may determine to be necessary or advisable to give effect to this resolution."

OTHER MATTERS TO BE ACTED UPON

As of the date of this Management Proxy Circular, management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com. Financial information concerning the Corporation is provided in the comparative annual financial statements and management's discussion and analysis ("MD&A") of the Corporation for its most recently completed financial year which can also be accessed at www.sedar.com or Shareholders may visit the website of the Corporation at www.leadingedgematerials.com or may contact the Corporation to request copies of the financial statements and MD&A at 1305 - 1090 West Georgia Street, Vancouver, B.C., V6E 3V7.

SCHEDULE "A"

LEADING EDGE MATERIALS CORP. (the "Corporation")

AUDIT COMMITTEE CHARTER

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 Corporation'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 Corporation'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 Corporation 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 Corporation or any associates or affiliates of the Corporation.

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 Corporation'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 Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, 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 Corporation 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 Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly consolidated financial statements;
- (b) to establish and maintain a direct line of communication with the Corporation's external auditors and assess their performance; and
- (c) to ensure that the management of the Corporation'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 Corporation, 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;
- (d) 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 Corporation's financial and auditing personnel;
 - (iv) internal resources used;
 - (v) significant transactions outside of the normal business of the Corporation;
 - (vi) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
- (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles.

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

- (a) to review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, 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 Corporation; and
- (c) to periodically review the Corporation'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 Corporation'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 Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;

- (g) review the Corporation'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 Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation; and

- (i) establish a procedure for:

- (i) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters; and

- (ii) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.

SCHEDULE "B"

LEADING EDGE MATERIALS CORP.

COMPENSATION COMMITTEE CHARTER

I. GENERAL

1. Purpose of the Committee

The purpose of the Compensation Committee (the "**Committee**") is to assist the board of directors (the "**Board**") of Leading Edge Materials Corp. (the "**Corporation**") in overseeing compensation and succession planning matters, including the Board's responsibilities of:

- (a) appointing, compensating and evaluating and planning for the succession of officers and other senior management personnel of the Corporation; and
- (b) approving the Corporation's annual compensation budget.

2. Authority of the Committee

- (a) The Committee has the authority to delegate to individual members or subcommittees of the Committee.
- (b) The Committee has the authority to engage and compensate any outside advisor, including compensation consultants and legal counsel, that it determines to be necessary or advisable to permit it to carry out its duties. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any advisors engaged by the Committee. The Board shall provide the Committee with appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisors engaged by the Committee. Any engagement of advisors by the Committee shall comply with all applicable securities legislation, corporate laws and the rules of any exchange on which the Corporation's securities are listed for trading.

II. PROCEDURAL MATTERS

1. Composition

The Committee will be composed of a minimum of 2 members.

2. Member Qualifications

- (a) Every Committee member must be a director of the Corporation.
- (b) Every Committee member must be "independent" as that term is defined in applicable securities legislation and exchange guidelines.
- (c) All members of the Committee will meet all requirements and guidelines for compensation committee service as specified in applicable securities and corporate laws and the rules of any exchange on which the Corporation's securities are listed for trading.

3. Member Appointment and Removal

Members of the Committee will be appointed from time to time and will hold office at the pleasure of the Board.

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Committee, and will be filled by the Board if the membership of the Committee falls below 2 directors.

4. Committee Structure and Operations

(a) Chair

The Board may appoint one member of the Committee to act as Chair of the Committee. The Chair of the Committee may be removed at any time at the discretion of the Board. If in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed.

If no Chair is elected, or if the Chair of the Committee is not present within 15 minutes after the time set for holding the meeting, the Committee will select one of the other members of the Committee to preside at that meeting.

(b) Meetings

The Chair of the Committee will be responsible for developing and setting the agenda for Committee meetings, and determining the time, place and frequency of Committee meetings. However, the Committee will meet at least twice per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair or any two members of the Committee may call a meeting.

(c) Notice

Notice of the time and place of every meeting will be given in writing or by e-mail or facsimile communication to each member of the Committee at least 48 hours prior to the time fixed for such meeting.

(d) Quorum

A majority of the Committee will constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by telephone or other communications medium if all directors participating in the meeting, whether by telephone, by other communications medium or in person, are able to communicate with each other.

(e) Attendees

The Committee may invite such directors, officers and employees of the Corporation and advisors as it sees fit from time to time to attend meetings of the Committee and assist in the discussion and consideration of matters relating to the Committee. During each meeting of the Committee, the Committee will meet with only Committee members present in person or by other permitted means.

(f) **Secretary**

The Committee will appoint a Secretary to the Committee who need not be a director or officer of the Corporation.

(g) **Records**

Minutes of meetings of the Committee will be recorded and maintained by the Secretary to the Committee and will be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee will conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter, in accordance with the process developed by the Board. The Committee will conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee will also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any best practice guidelines recommended by regulators or any exchange on which the Corporation's securities are listed for trading and will recommend changes to the Board thereon.

6. Reporting to the Board

The Committee will regularly report to the Board on all significant matters it has considered and addressed and with respect to such other matters that are within its responsibilities, including any matters approved by the Committee or recommended by the Committee for approval by the Board. The Committee will circulate to the Board copies of the minutes of each meeting held.

III. RESPONSIBILITIES

1. General

The Committee is responsible for:

- (a) reviewing the Corporation's overall compensation philosophy;
- (b) addressing matters related to compensation of the Chief Executive Officer (the "CEO");
- (c) making recommendations to the Board with respect to non-CEO and director compensation, incentive-compensation plans and equity-based plans;
- (d) reviewing executive compensation disclosure before the Corporation publicly discloses this information; and
- (e) performing any other duties or responsibilities expressly delegated to the Committee by the Board from time-to-time relating to the Corporation's compensation programs.

2. CEO Compensation

With respect to compensation of the CEO, the Committee is responsible for:

- (a) reviewing and approving corporate goals and objectives relevant to CEO compensation;
- (b) evaluating the CEO's performance in light of those corporate goals and objectives; and
- (c) determining or making recommendations to the Board with respect to the CEO's compensation level based on this evaluation.

In determining the long-term incentive component of the compensation of the CEO, the Committee shall consider the Corporation's performance and relative shareholder return, the value of similar incentive compensation given to CEO's at comparable companies and the compensation given to the CEO in past years.

3. Annual Review of CEO Compensation

The Committee shall annually review and assess the competitiveness and appropriateness of the compensation package of the CEO. In conducting such review, the Committee shall consider:

- (a) the compensation package of the CEO for the prior year;
- (b) the Committee's evaluation of the performance of the CEO;
- (c) the Corporation's performance and relative shareholder return, as well as other key measures of performance;
- (d) whether the compensation package reflects an appropriate balance between salary and incentive compensation, as well as the mix between short and longer-term incentives to improve performance of the Corporation;
- (e) the competitiveness of the compensation package, including the value of similar incentive awards and benefits such as pensions and supplementary executive retirement plans, paid to equivalent officers and positions at comparable companies;
- (f) the impact of the level and form of awards on the Corporation and its shareholders from a tax, accounting, cash flow and dilution perspective; and
- (g) the awards given to the CEO.

The CEO shall not be present during any deliberations or voting by the Committee related to the CEO's compensation.

4. Compensation of Non-CEO Officers

With respect to compensation of non CEO-officers, the Committee is responsible for:

- (a) recommending the process and criteria to be used to evaluate the performance of non-CEO officers;
- (b) reviewing and approving the performance evaluations of the Corporation's non-CEO officers; and

- (c) approving the individual compensation packages provided to non-CEO officers.

The Committee should consider all forms of remuneration when determining the level of compensation paid to non-CEO officers, including long-term incentives and benefits. The Committee should also consider information regarding other companies, the nature of the Corporation's business, the need to obtain qualified individuals, short-term and long-term performance goals and actual performance and shareholder returns and evaluations and compensation in previous years.

5. Compensation of Directors

The Committee will, on an annual basis:

- (a) review the adequacy, amount and form of the compensation to be paid to each director;
- (b) consider whether that compensation realistically reflects the time commitment, responsibilities and risks of the directors; and
- (c) make recommendations to the Board based on this review and analysis.

The Committee may also make recommendations to the Board on minimum share ownership requirements for directors of the Corporation.

6. Incentive-Compensation Plans

- (a) With respect to incentive-compensation plans, the Committee is responsible for:
 - (i) making recommendations to the Board with respect to the adoption and amendment of executive incentive-compensation plans; and
 - (ii) approving all CEO and non-CEO officer incentive bonus plans and all awards under such plans.

7. Equity-Based Plans

With respect to equity-based plans, the Committee is responsible for periodically reviewing and making recommendations to the Board regarding equity-based compensation plans that the Corporation establishes for, or makes available to, its employees and/or consultants, including the designation of those who may participate in such plans, share and option availability under such plans and the administration of share purchases thereunder. To the extent delegated by the Board, the Committee shall approve all awards under equity-based compensation plans, including stock option plans, established by the Corporation.

In addition, the Committee will review periodically the extent to which these forms of compensation are meeting their intended objectives, and will make recommendations to the Board regarding modifications to more accurately relate such compensation to employee performance.

8. Disclosure

With respect to disclosure, the Committee is responsible for:

- (a) obtaining advice on and tracking disclosure requirements related to executive compensation disclosure;

- (b) reviewing executive compensation disclosure information before the Corporation publicly discloses this information; and
- (c) in particular, reviewing the “Executive Compensation” and “Indebtedness” sections and preparing the “Report on Executive Compensation” section of the management information circular (or similarly captioned disclosure) or other regulatory filings.

SCHEDULE "C"

LEADING EDGE MATERIALS CORP. (the "Issuer")

2020 STOCK OPTION PLAN

The Plan is intended as an incentive to enable the Issuer to:

- (a) attract and retain qualified Directors, Senior Officers, Employees, Management Issuer Employees and Consultants of the Issuer and its Affiliates;
- (b) promote a proprietary interest in the Issuer and its Affiliates among its Directors, Senior Officers, Employees, Management Issuer Employees and Consultants; and
- (c) stimulate the active interest of such Persons in the development and financial success of the Issuer and its Affiliates.

2. DEFINITIONS

As used in the Plan, the terms set forth below shall have the following respective meanings:

"Affiliate" has the meaning ascribed thereto in the Policies of the TSXV;

"Associate" has the meaning ascribed thereto in the Policies of the TSXV;

"BCBCA" means the *Business Corporations Act* (British Columbia);

"Blackout Period" means a period formally imposed by the Issuer during which the Issuer prohibits Optionees from exercising their Options pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information;

"Board" means the board of directors of the Issuer;

"Charitable Options" means an Option granted by the Issuer to an Eligible Charitable Organization;

"Committee" means a committee of the Board that the Board may, in accordance with subsection 3.1, designate to administer the Plan;

"Corporation" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"Consultant" means an individual or Corporation, other than an Employee, a Senior Officer, a Management Issuer Employee or a Director of the Issuer, that:

- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of the Issuer, other than services provided in relation to a distribution of securities;
- (b) provides the services under a written contract between the Issuer or the Affiliate and the individual or the Corporation, as the case may be;
- (c) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or an Affiliate of the Issuer; and

- (d) has a relationship with the Issuer or an Affiliate of the Issuer that enables the individual to be knowledgeable about the business and affairs of the Issuer;

“Consultant Corporation” means a Consultant that is a Corporation;

“Director” means a member of the Board;

“Eligible Charitable Organization” has the meaning ascribed thereto in the Policies of the TSXV;

“Employee” means an individual who:

- (a) is considered an employee of the Issuer or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source);
- (b) works full-time for the Issuer or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source; or
- (c) works for the Issuer or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source;

“Insider” has the meaning ascribed thereto by the Policies of the TSXV;

“Investor Relations Activities” has the meaning ascribed thereto by the Policies of the TSXV;

“Issuer” means Leading Edge Materials Corp., a Corporation existing under the BCBCA;

“Management Issuer Employee” means an individual employed by a Person providing management services to the Issuer, which are required for the ongoing successful operation of the business enterprise of the Issuer, but excluding a Person engaged in Investor Relations Activities;

“Market Price” has the meaning ascribed thereto by the Policies of the TSXV;

“Material Information” has the meaning ascribed thereto in the Policies of the TSXV;

“Option” means an option to purchase Shares granted under or subject to the terms of the Plan;

“Option Agreement” means a written agreement or certificate between the Issuer and an Optionee that evidences the Option and sets forth the terms, conditions and limitations applicable to an Option;

“Option Period” means the period for which an Option is granted;

“Optionee” means a Person to whom an Option has been granted under the terms of the Plan or who holds an Option that is otherwise subject to the terms of the Plan;

“Other Share Compensation Arrangement” means, other than the Plan and any Options, any employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including but not limited to a purchase of Shares from treasury which is financially assisted by the Issuer by way of loan, guarantee or otherwise;

“Outstanding Issue” means the number of Shares that are outstanding immediately prior to the Share issuance or Option grant in question;

“Person” means a Corporation or individual;

"Plan" means this Stock Option Plan of the Issuer;

"Policies of the TSXV" means the policies of the TSXV published by the TSXV in its Corporate Finance Manual, as may be amended from time to time;

"Securities Acts" means the *Securities Act* (British Columbia), R.S.B.C. 1996 c. 418, as amended, and the *Securities Act* (Alberta) R.S.A. 2000 c. S-4, as amended, from time to time;

"Senior Officer" means an officer of the Issuer within the meaning ascribed thereto in either the Securities Acts or a senior officer of the Issuer within the meaning ascribed thereto in the BCBCA;

"Shares" means common shares without par value in the capital stock of the Issuer as the same are presently constituted; and

"TSXV" means the TSX Venture Exchange or any successor thereto; provided that if the Shares are or become listed on a senior stock exchange, then reference to "TSXV" means a reference to such senior stock exchange.

3. ADMINISTRATION OF THE PLAN

3.1 The Plan will be administered by the Issuer's Secretary or such other officer or employee as may be designated by the Board from time to time. The Secretary or such other officer or employee will report to the Board or to a Committee of two or more Directors who may be designated from time to time to serve as the Committee for the Plan, all of the sitting members of which shall be current Directors. Notwithstanding the existence of any such Committee, the Board itself will retain independent and concurrent power to undertake any action hereunder delegated to the Committee, whether with respect to the Plan as a whole or with respect to individual Options granted or to be granted under the Plan.

3.2 Subject to the limitations of the Plan, the Board shall have full power to grant Options, to determine the terms, limitations, restrictions and conditions respecting such Options and to settle, execute and deliver Option Agreements and bind the Issuer accordingly, to interpret the Plan and to adopt such rules, regulations and guidelines for carrying out the Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Issuer and in keeping with the objectives of the Plan.

3.3 Notwithstanding any provision of this Plan, the Board may, in its discretion grant Options as it sees fit, or otherwise accelerate the vesting or exercisability of any Option, eliminate or make less restrictive any restrictions contained in an Option, provide for the extension of the Option Period of an outstanding Option, waive any restriction or other provision of the Plan or an Option or otherwise amend or modify an Option in any manner that is either:

(a) not adverse to the Optionee holding such Option; or

(b) consented to by such Optionee;

subject to any required approvals of any stock exchange or regulatory body having jurisdiction over the securities of the Issuer.

3.4 The Board or Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Option in the manner and to the extent deemed necessary or desirable to carry it into effect. Any decision of the Board or Committee in the interpretation and administration of the Plan shall lie within its absolute discretion and shall be final, conclusive and binding on all parties concerned. No member of the Board or Committee shall be liable for anything done or omitted to be done by such member, by any other member of the Board or Committee or by any officer of the Issuer, in connection with the performance of any duties under

the Plan, except those which arise from such member's own wilful misconduct or as expressly provided by statute.

- 3.5 All administrative costs of the Plan shall be paid by the Issuer.

4. ELIGIBILITY FOR OPTIONS

- 4.1 Options may be granted to Directors, Senior Officers, Employees, Management Issuer Employees and Consultants of the Issuer and its Affiliates, including an issuer all the voting securities of which are owned by such Persons, who are, in the opinion of the Board or Committee, in a position to contribute to the success of the Issuer or any of its Affiliates or who, by virtue of their service to the Issuer or any predecessors thereof or to any of its Affiliates, are in the opinion of the Board or Committee, worthy of special recognition. Except as may be otherwise set out in this Plan, the granting of Options is entirely discretionary. Nothing in this Plan shall be deemed to give any Person any right to participate in this Plan or to be granted an Option and the designation of any Optionee in any year or at any time shall not require the designation of such Person to receive an Option in any other year or at any other time. The Board or Committee shall consider such factors as it deems pertinent in selecting participants and in determining the amounts and terms of their respective Options.

- 4.2 If an Optionee who is granted an Option is an Employee, Management Issuer Employee or Consultant of the Issuer or any of its Affiliates, the Option Agreement pertaining to such Option shall contain a representation by both the Issuer and the Optionee, and the Issuer and the Optionee will be responsible for ensuring and confirming, that the Optionee is a bona fide Employee, Management Issuer Employee or Consultant of the Issuer or its Affiliates.

- 4.3 Subject to any applicable regulatory approvals, Options may also be granted under the Plan in exchange for outstanding options granted by the Issuer or any predecessor Issuer thereof or any Affiliate thereof, whether such outstanding options were granted under the Plan, under any other stock option plan of the Issuer or any predecessor Issuer or any Affiliate thereof, or under any stock option agreement with the Issuer or any predecessor Issuer or Affiliate thereof.

- 4.4 Subject to any applicable regulatory approvals, Options may also be granted under the Plan in substitution for outstanding options of one or more other companies in connection with a plan of arrangement or exchange, amalgamation, merger, consolidation, acquisition of property or shares, or other reorganization between or involving such other companies and the Issuer or any of its Affiliates.

- 4.5 Options may also be granted to Eligible Charitable Organizations.

5. NUMBER OF SHARES RESERVED UNDER THE PLAN

- 5.1 The number of Shares that may be reserved for issuance under the Plan, is limited as follows:

- (a) the maximum aggregate number of Shares reserved for issuance pursuant to the exercise of Options granted under the Plan shall be 10% of the Outstanding Issue as at the date of a stock option grant, provided that:
 - (i) if any Option subject to the Plan is forfeited, expires, is terminated or is cancelled for any reason whatsoever (other than by reason of exercise), then the maximum number of Shares for which Options may be granted hereunder shall be increased by the number of Shares which were the subject of such forfeited, expired, terminated or cancelled Option; and

- (ii) such maximum number of Shares shall be appropriately adjusted in the event of any subdivision or consolidation of the Shares;
- (b) if and for so long as the Shares are listed on the TSXV:
 - (i) the maximum aggregate number of Shares that may be reserved for issuance under Options granted to Insiders (as a group) pursuant to the Plan may not exceed 10% of the Outstanding Issue at the time of grant, unless the Issuer has obtained “disinterested shareholder” approval in accordance with the Policies of the TSXV; and
 - (ii) the maximum aggregate number of Options granted to Insiders (as a group) under the Plan together with any Other Share Compensation Arrangement within a 12 month period may not exceed 10% of the Outstanding Issue at the time of grant, unless the Issuer has obtained “disinterested shareholder” approval in accordance with the Policies of the TSXV;
- (c) if and for so long as the Shares are listed on the TSX Venture Exchange (excluding any senior stock exchange):
 - (i) the maximum aggregate number of Shares that may be reserved for issuance under Options pursuant to the Plan together with any Other Share Compensation Arrangement to any one Person (and Companies wholly owned by that Person) within a 12 month period shall not exceed 5% of the Outstanding Issue at the time of grant (unless the Issuer has obtained “disinterested shareholder” approval in accordance with the Policies of the TSX Venture Exchange);
 - (ii) the maximum aggregate number of Shares that may be reserved under the Plan or any Other Share Compensation Arrangement for issuance to any one Consultant within a 12 month period shall not exceed 2% of the Outstanding Issue at the time of grant; and
 - (iii) the maximum aggregate number of Shares that may be reserved under the Plan or any Other Share Compensation Arrangement for issuance to Persons who are conducting Investor Relations Activities within a 12 month period shall not exceed 2% of the Outstanding Issue at the time of grant;
- (c) subject to the policies of the TSXV an Option shall vest and may be exercised (in each case to the nearest full Share) during the Option Period in accordance with any vesting schedule as the Board may determine from time to time in its sole discretion.

5.2 The aggregate number of Options granted and outstanding to Eligible Charitable Organizations must not at any time exceed 1% of the Outstanding Issue, as calculated immediately subsequent to the grant of any Options to Eligible Charitable Organizations.

6. NUMBER OF SHARES PER OPTION

6.1 The number of Shares under an Option shall be determined by the Board or Committee, in its discretion, at the time such Option is granted, taking into consideration the Optionee’s present and potential contribution to the success of the Issuer and taking into account all other Options then held by such Optionee, but subject always to the limitations set forth in subsection 5.1.

7. HOLD PERIOD

- 7.1 In addition to any resale restrictions under the Securities Acts and any other circumstance for which a four month TSXV hold period may apply, any and all Options: (i) granted hereunder to an Insider; and (ii) granted at a discount to the Market Price, and all Shares issued on the exercise of such Options, will be subject to a four month TSXV hold period from the date the Options are granted, and the stock option agreements and the certificates representing such Options or Shares, as applicable, will bear the following legend:

“Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until **[four months + 1 day from the date of grant]**.”

8. PRICE

- 8.1 The exercise price per Share under an Option shall be determined by the Board or Committee, in its discretion, at the time such Option is granted, but such price shall not be less than the closing price of the Shares on the TSXV on the trading day immediately preceding the day on which the Option is granted, less any allowable discount (provided that if there are no trades on such day then the last closing price within the preceding ten trading days will be used, and if there are no trades within such ten-day period, then the simple average of the bid and ask prices on the trading day immediately preceding the day of grant will be used) and, in any event, the exercise price per Share will not be less than \$0.10, being the minimum exercise price allowable under the Policies of the TSXV.
- 8.2 The exercise price at which, and the number of Optioned Shares for which, an outstanding Option may be exercised following a subdivision or consolidation of the Shares shall be subject to adjustment in accordance with section 12.
- 8.3 Subject to TSXV approval, the exercise price per Optioned Share under an Option may be reduced at the discretion of the Board or Committee if:
- (a) prior TSXV approval is obtained and at least six months has elapsed since the later of the date such Option was granted and the date the exercise price for such Option was last amended; and
 - (b) disinterested shareholder approval is obtained for any reduction in the exercise price under an Option held by an Insider of the Issuer;

provided that if the exercise price is reduced to less than Market Price, the TSXV four month hold period will apply from the date of the amendment and further provided that no such conditions will apply in the case of an adjustment made under subsection 5.1(a)(ii).

9. OPTION PERIOD AND EXERCISE OF OPTIONS

- 9.1 The Option Period for an Option shall be determined by the Board or Committee at the time the Option is granted and may be up to ten (10) years from the date the Option is granted (including, for the avoidance of doubt, any Options granted to an Eligible Charitable Organization). At the time an Option is granted, the Board or Committee may determine that, with respect to that Option, upon the occurrence of one of the events described in subsection 11.1 there shall come into force a time limit for exercise of such Option which is different than the Option Period, and in

the event of such a determination, the Option Agreement for such Option shall contain provisions which specify the events and time limits related to that determination. Subject to the applicable maximum Option Period provided for in this subsection 9.1 and subject to applicable regulatory requirements and approvals, the Board or Committee may extend the Option Period of an outstanding Option beyond its original expiration date, (whether or not such Option is held by an Insider) if the following requirements are satisfied:

- (a) the term of the Option is not extended so that the effective term of the Option exceeds ten (10) years in total; and
- (b) the Option has been outstanding for at least one year at the time of extension.

9.2 If the Option Period for an Option expires during a Blackout Period, the Option Period will be automatically extended, without prior Board or Committee approval, to the date that is 10 business days after the expiry of the Blackout Period unless the applicable Optionee or the Issuer is subject to a cease trade order (or similar order under securities laws) in respect of the Issuer's securities.

9.3 If and for so long as the Shares are listed on the TSX Venture Exchange (excluding any senior stock exchange), Options issued to Consultants who perform Investor Relations Activities will be subject to a vesting schedule of at least 12 months whereby no more than 25% of the options granted may be vested in any three month period.

9.4 If there is a takeover bid made for all or any of the issued and outstanding Shares, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Shares subject to such Options to be issued and tendered to such bid.

9.5 The vested portions of Options will be exercisable, in whole or in part, at any time after vesting. If an Option is exercised for fewer than all of the Shares for which the Option has then vested, the Option shall remain in force and exercisable for the remaining Shares for which the Option has then vested, according to the terms of such Option.

9.6 The exercise of any Option will be contingent upon receipt by the Issuer of cash payment in full for the exercise price of the Shares being purchased by way of certified cheque, wire transfer or bank draft. Neither an Optionee nor the legal representatives, legatees or distributees of such Optionee will be, or will be deemed to be, a holder of any Shares subject to an Option under the Plan unless and until certificates for such Shares are issuable to the Optionee or such other Persons pursuant to the Option or the Plan.

10. STOCK OPTION AGREEMENT

10.1 Upon the grant of an Option to an Optionee, the Issuer and the Optionee shall enter into an Option Agreement setting out the number of Shares subject to the Option, the Option Period and the vesting schedule for the Option, if any, and incorporating the terms and conditions of the Plan and any other requirements of regulatory authorities and stock exchanges having jurisdiction over the securities of the Issuer, together with such other terms and conditions as the Board or Committee may determine in accordance with the Plan.

11. EFFECT OF TERMINATION OF EMPLOYMENT OR DEATH

11.1 An outstanding Option shall remain in full force and effect and exercisable according to its terms for the Option Period until the Optionee ceases to be a Director, Employee, Non-Employee

Director, Management Issuer Employee, Senior Officer or Consultant of the Issuer for any reason, excluding death or termination for cause, after which time the Option will expire within 90 days or, for those Optionees engaged in Investor Relations Activities, the Options will expire within 30 days of the cessation date, unless, the Board or Committee, at its own discretion, agrees to extend the period.

- 11.2 In the event that the Optionee, shall cease to be a Director, Senior Officer, Employee, Management Issuer Employee, or Consultant of the Issuer for termination for cause, the Option shall terminate and shall cease to be exercisable upon such termination for cause.
- 11.3 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 the earlier of one year from the Optionee's death and the original expiry date of such Option.
- 11.4 A Charitable Option 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.

12. ADJUSTMENT IN SHARES SUBJECT TO THE PLAN

- 12.1 Following the date an Option is granted, the exercise price for and the number of Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this section 12, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board or Committee, and any such determination will be binding on the Issuer, the Optionee and all other affected parties.
- 12.2 If the outstanding Shares are changed into or exchanged for a different number of shares or into or for other securities of the Issuer or securities of another Corporation or entity, whether through an arrangement, amalgamation, merger, business combination, sale or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then on each exercise of the Option which occurs following such events, for each Optioned Share for which the Option is exercised, the Optionee shall instead receive the number and kind of shares or other securities of the Issuer or other Corporation into which such Share would have been changed or for which such Share would have been exchanged if it had been outstanding on the date of such event and the exercise price will be similarly adjusted so that the aggregate price to exercise the Option is preserved, and if the Issuer undertakes an arrangement or is amalgamated, merged or combined with another Corporation, the Board shall make such other provision for the protection of the rights of Optionees as it shall deem advisable.
- 12.3 If the outstanding Shares are changed into or exchanged for a different number of shares or into or for other securities of the Issuer or securities of another Corporation or entity, in a manner other than as specified in subsection 12.2, then the Board or Committee, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board or Committee in its sole and absolute discretion determines to be equitable to give effect to the principle described in subsection 12.1, and such adjustments shall be effective and binding upon the Issuer and the Optionee and all the other parties for all purposes.
- 12.4 No adjustment or substitution provided for in this section 12 shall require the Issuer to issue a fractional share in respect of any Option. Fractional shares shall be eliminated.

12.5 The grant or existence of an Option shall not in any way limit or restrict the right or power of the Issuer to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

12.6 Notwithstanding any other provision of the Plan, a Charitable Option may not be amended or may subject to amendment after its grant other than to give effect to this Section 12 or to provide for the cancellation of the Charitable Option in order to enable the Issuer to comply with section 5.2.

13. NON-ASSIGNABILITY

13.1 The Options under the Plan shall not be assignable or otherwise transferable, except as specifically provided in subsection 11.3 in the event of the death of the Optionee. During the lifetime of the Optionee, all Options may only be exercised by the Optionee.

14. EMPLOYMENT

14.1 Nothing contained in the Plan shall confer upon any Optionee, or any Person employing a Management Issuer Employee, any right with respect to employment or continuance of employment with, or the provision of services to, the Issuer or any of its Affiliates, or interfere in any way with the right of the Issuer or any of its Affiliates to terminate the Optionee's employment or the services of any such Person at any time. Participation in the Plan by an Optionee is voluntary.

15. REGULATORY ACCEPTANCES

15.1 The Plan is subject to the acceptance of the Plan for filing by the TSXV, and the Board or Committee is authorized to amend the Plan from time to time in order to comply with any changes required from time to time by such applicable regulatory authorities, whether as conditions to the acceptance for filing of the Plan or otherwise, provided that no such amendment will in any way derogate from the rights held by Optionees holding Options (vested or unvested) at the time thereof without the consent of such Optionees.

15.2 The obligation of the Issuer to issue and deliver Shares pursuant to the exercise of any Options granted under the Plan is subject to the acceptance of the Plan for filing by the TSXV. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such acceptance for filing, then the obligation of the Issuer to issue such Shares shall terminate and any amounts paid to the Issuer for such Shares shall be returned to the Optionee forthwith without interest or deduction.

16. SECURITIES REGULATION AND TAX WITHHOLDING

16.1 Where necessary to enable the Issuer to use an exemption from requirements to register Shares or file a prospectus or use a registered dealer to distribute Shares under securities laws applicable to the securities of the Issuer in any jurisdiction, an Optionee, upon the acquisition of any Shares on the exercise of Options and as a condition to such exercise, shall provide to the Board or Committee such evidence as the Board or Committee requires to demonstrate that the Optionee or recipient will acquire such Shares with investment intent (i.e. for investment purposes) and not with a view to their distribution, including an undertaking to that effect in a form acceptable to the Board or Committee. The Board or Committee may cause a legend or legends to be placed upon any certificates for the Shares to make appropriate reference to applicable resale restrictions, and the Optionee or recipient shall be bound by such restrictions. The Board or Committee also may take such other action or require such other action or agreement by such Optionee or proposed

recipient as may from time to time be necessary to comply with applicable securities laws. This provision shall in no way obligate the Issuer to undertake the registration or qualification of any Options or the Shares under any securities laws applicable to the securities of the Issuer.

- 16.2 For all purposes of the Plan, the Issuer may take all such measures as it deems appropriate or necessary to comply with applicable laws, including income tax laws and securities laws and regulations, as well as the rules of regulatory authorities having jurisdiction over the Issuer or in respect of the securities of the Issuer. Without limitation to the foregoing, the Issuer may withhold and remit to tax authorities such sums which might otherwise be due or accruing due by the Issuer to an Optionee, if such withholding and remittance are required under applicable income tax laws in connection with the grant or exercise of the Optionee's Options.
- 16.3 The Issuer may withhold from any amount payable to a participant (a "Participant"), either under the Plan or otherwise, such amount as may be necessary to enable the Issuer to comply with the applicable requirements of any federal, provincial, state or local law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to awards hereunder ("Withholding Obligations"). The Issuer shall also have the right in its discretion to satisfy any liability for any Withholding Obligations by selling, or causing a broker to sell, on behalf of any Participant such number of Shares issued to the Participant pursuant to an exercise of Options hereunder as is sufficient to fund the Withholding Obligations (after deducting commissions payable to the broker), or retaining any amount payable which would otherwise be delivered, provided or paid to the Participant hereunder. The Issuer may require a Participant, as a condition to the exercise of an Option to make such arrangements as the Issuer may require so that the Issuer can satisfy applicable Withholding Obligations, including, without limitation, requiring the Participant to (i) remit the amount of any such Withholding Obligations to the Issuer in advance; (ii) reimburse the Issuer for any such Withholding Obligations; or (iii) cause a broker who sells shares acquired by the Participant under the Plan on behalf of the Participant to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Issuer.
- 16.4 Any Shares of a Participant that are sold by the Issuer, or by a broker engaged by the Issuer (the "Broker"), to fund Withholding Obligations will be sold as soon as practicable in transactions effected on the exchange on which the common shares of the Issuer are then listed for trading. In effecting the sale of any such Shares, the Issuer or the Broker will exercise its sole judgment as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Issuer nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the manner or timing of such sales, the prices at which the Shares are sold or otherwise. In addition, neither the Issuer nor the Broker will be liable for any loss arising from a delay in transferring any Shares to a Participant. The sale price of Shares sold on behalf of Participants will fluctuate with the market price of the Issuer's shares and no assurance can be given that any particular price will be received upon any such sale.
- 16.5 Issuance, transfer or delivery of certificates for Shares acquired pursuant to the Plan may be delayed, at the discretion of the Board or Committee, until it is satisfied that the requirements of applicable laws and regulations, and applicable rules of regulatory authorities, have been met.

17. AMENDMENT AND TERMINATION OF PLAN

- 17.1 The Board reserves the right to amend or terminate the Plan at any time if and when it is deemed advisable in the absolute discretion of the Board; provided, however, that no such amendment or termination shall adversely affect any outstanding Options granted under the Plan without the consent of the Optionee. Any amendment to the Plan shall also be subject to acceptance of such

amendment or amended Plan for filing by the TSXV and, where required by the TSXV, the approval of the shareholders of the Issuer.

18. NO REPRESENTATION OR WARRANTY

- 18.1 The Issuer makes no representation or warranty as to the future market value of any Shares.

19. GENERAL PROVISIONS

- 19.1 Nothing contained in the Plan shall prevent the Issuer or any of its Affiliates from adopting or continuing in effect other compensation arrangements (subject to shareholder approval if such approval is required by TSXV) and such arrangements may be either generally applicable or applicable only in specific cases.
- 19.2 The validity, construction and effect of the Plan, the grant of Options, the issue of Shares, any rules and regulations relating to the Plan any Option Agreement, and all determinations made and actions taken pursuant to the Plan, shall be governed by and determined in accordance with the laws of the Province of British Columbia.
- 19.3 If any provision of the Plan or any Option Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Person or Option, or would disqualify the Plan or any Option under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Option, such provision shall be stricken as to such jurisdiction, Person, or Option and the remainder of the Plan and any such Option Agreement shall remain in full force and effect.
- 19.4 Neither the Plan nor any Option shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Issuer or any of its Affiliates and an Optionee or any other Person.
- 19.5 Headings are given to the sections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

20. TERM OF THE PLAN

- 20.1 The Plan shall be effective as of July 24, 2020, and is subject to approval by the shareholders of the Issuer on a yearly basis at the Issuer's meetings of shareholders and acceptance for filing by the TSXV pursuant to section 15.
- 20.2 The Plan shall be effective until the Plan is terminated by the Board pursuant to section 17, and no Option shall be granted under the Plan after that date. Unless otherwise expressly provided in the Plan or in an applicable Option Agreement, the Option Period for any Option granted hereunder will, and any authority of the Board to amend, alter, adjust, suspend, discontinue or terminate any such Option or to waive any conditions or rights under any such Option shall, continue after termination of the Plan notwithstanding such termination.