



**LEADING EDGE
MATERIALS**

NOTICE OF ANNUAL GENERAL MEETING AND MANAGEMENT INFORMATION CIRCULAR

Thursday, April 25, 2024



LEADING EDGE MATERIALS CORP.

14TH Floor, 1040 West Georgia Street, Vancouver, BC, V6E 4H1
T +1 604 684 6365 | 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 14th Floor - 1040 West Georgia Street, Vancouver, B.C., V6E 4H1, on Thursday, April 25, 2024 at 9:00 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, 2023, together with the report of the auditors thereon;
3. To fix the number of directors of the Corporation to be elected at the Meeting;
4. To elect the directors of the Corporation for the ensuing year;
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;
6. To consider and, if deemed advisable, pass an ordinary resolution, ratifying, adopting and re-approving the stock option plan of the Corporation (the "Stock Option Plan"); and
7. To consider any permitted amendment to or variation of any matter identified in this Notice and to transact such other business as may properly come before the Meeting or any adjournment thereof.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying management information circular and proxy statement dated March 19, 2024 (the "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 19, 2024 are entitled to receive notice of and vote at the Meeting.

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 19, 2024.

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ "Eric Krafft"

Eric Krafft, Interim Chief Executive Officer

LEADING EDGE MATERIALS CORP.

Management Information Circular and Proxy Statement

Unless otherwise stated, information contained herein is given as of March 19, 2024. 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 14th Floor, - 1040 West Georgia Street, Vancouver, B.C., V6E 4H1, on Thursday, April 25, 2024 at 9:00 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.

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 designees. 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 corporate office of the Corporation at 14th Floor, - 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, 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 structure 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 19, 2024 (the "Record Date"). As at the Record Date, there were

190,951,949 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 19, 2024:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage</u>
Eric Krafft (Director and Interim CEO of the Corporation)	72,556,577	38%

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, RRIFFs, 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 provisions 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 three (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 time immediately before the election of directors at 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.

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	⁽²⁾	3,820,000
MAJOR, Daniel ⁽⁴⁾⁽⁵⁾ Kent, United Kingdom Director	Chief Executive Officer of GoviEx Uranium Inc. from October 2012 to present.	May 4, 2020	⁽²⁾	Nil
KRAFFT, Eric ⁽⁴⁾ Monaco Director and Interim CEO	Self-employed private investor across a number of different industries.	May 4, 2020	⁽²⁾	72,556,577

Notes:

1. 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.
2. The Corporation does not have set terms of office for directors; rather, all directors who are elected cease to hold office immediately before the election of directors at the next annual general meeting of the Corporation.
3. 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.
4. Member of the Audit Committee and Interim CEO of the Corporation.
5. 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:

- (a) 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:
 - (i) 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
 - (ii) 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.

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, 2023 and 2022.

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>	2023	31,400	Nil	Nil	Nil	Nil	31,400
	2022	30,000	Nil	Nil	Nil	Nil	30,000
MAJOR, Daniel ⁽⁴⁾ <i>Director</i>	2023	31,400	Nil	Nil	Nil	Nil	31,400
	2022	30,000	Nil	Nil	Nil	Nil	30,000
KRAFFT, Eric ⁽⁵⁾ <i>Interim CEO and Director</i>	2023	31,400	Nil	Nil	Nil	Nil	31,400
	2022	30,000	Nil	Nil	Nil	Nil	30,000
KOZLOWSKI, Filip ⁽⁶⁾ <i>Former CEO and former Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	294,551	Nil	Nil	Nil	Nil	294,551
SWARUP, Sanjay ⁽⁷⁾ <i>CFO</i>	2023	37,732	Nil	Nil	Nil	57,948 ⁽⁷⁾	95,680
	2022	33,669	Nil	Nil	Nil	50,526 ⁽⁷⁾	84,195
DEMARE, Nick ⁽⁸⁾ <i>Former Corporate Secretary and former CFO</i>	2023	Nil	Nil	Nil	Nil	Nil ⁽⁸⁾	Nil
	2022	Nil	Nil	Nil	Nil	629 ⁽⁸⁾	629

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. Mr. Johansson was appointed as director and Non-Executive Chairman of the Corporation effective May 4, 2020.
4. Mr. Major was appointed director of the Corporation effective May 4, 2020.
5. Mr. Krafft was appointed director of the Corporation effective May 4, 2020 and appointed as an Interim CEO effective after October 14, 2022 upon the resignation of Mr. Kozlowski as CEO.
6. On May 4, 2020, Mr. Kozlowski resigned as a director and was appointed CEO. On August 30, 2022, Mr. Kozlowski resigned from the post of CEO effective on October 14, 2022.
7. Mr. Swarup was appointed CFO on March 21, 2021, upon the resignation of Mr. DeMare as CFO. The Corporation paid to SKS Business Services Ltd. (“SKS”), a private corporation owned by Mr. Swarup for accounting and administrative services provided by SKS personnel, exclusive of Mr. Swarup.
8. The Corporation was charged \$Nil (2022 - \$629) by Chase Management Ltd. (“Chase”), a private corporation wholly owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel. Mr. DeMare resigned as the Corporation’s CFO on March 1, 2021. Mr. DeMare served as the Corporate Secretary of the Corporation until April 28, 2022.

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, 2023 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 ⁽¹⁾ <i>Non-Executive Chairman and Director</i>	Stock Options	1,000,000	April 26, 2023	0.195	0.195	0.15	April 26, 2028
MAJOR, Daniel ⁽²⁾ <i>Director</i>	Stock Options	1,000,000	April 26, 2023	0.195	0.195	0.15	April 26, 2028
KRAFFT, Eric ⁽³⁾ <i>Interim CEO and Director</i>	Stock Options	2,000,000	April 26, 2023	0.195	0.195	0.15	April 26, 2028
SWARUP, Sanjay ⁽⁵⁾ CFO	Stock Options	100,000	April 26, 2023	0.195	0.195	0.15	April 26, 2028
KOZLOWSKI, Filip ⁽⁴⁾ <i>Former CEO and former Director</i>	N/A	Nil	N/A	Nil	Nil	N/A	N/A

Notes:

1. As at October 31, 2023, Mr. Johansson held 1,500,000 stock options of the Corporation that entitle him to acquire upon exercise 1,500,000 Common Shares and 3,820,000 warrants of the Corporation that entitle him to acquire upon exercise 3,820,000 Common Shares.
2. As at October 31, 2023, Mr. Major held 1,500,000 stock options of the Corporation that entitle him to acquire upon exercise 1,500,000 Common Shares.
3. As at October 31, 2023, Mr. Krafft held 2,500,000 stock options of the Corporation that entitle him to acquire upon exercise 2,500,000 Common Shares and 35,504,173 warrants of the Corporation that entitle him to acquire upon exercise 37,102,173 Common Shares.
4. As at October 31, 2023, Mr. Kozlowski held 900,000 stock options of the Corporation that entitle him to acquire upon exercise 900,000 Common Shares and 1,500,000 warrants that entitle him to acquire upon exercise 1,500,000 Common Shares.
5. As at October 31, 2023, Mr. Swarup held 100,000 stock options of the Corporation that entitle him to acquire upon exercise 100,000 Common Shares .

Exercise of Compensation Securities by Directors and NEOs

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Corporation for the financial year ended October 31, 2023:

Exercise of Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
KRAFFT, Eric ⁽³⁾ <i>Interim CEO and Director</i>	Warrants	13,000,000	0.10	January 10, 2023	0.145	0.05	585,000

- (1) Mr. Krafft was appointed director of the Corporation effective May 4, 2020 and appointed as an Interim CEO effective October 14, 2022 upon the resignation of Mr. Kozlowski as CEO.

There were no other exercises of compensation securities by directors or Named Executive Officers during the most recently completed financial year ended October 31, 2023.

The Shareholders will be asked at the Meeting to ratify and re-approve Corporation's Stock Option Plan which was previously approved and adopted by the Shareholders on April 26, 2023 (the "Stock Option Plan"). See "Particulars of Matters to be Acted Upon - Ratification and Re-Approval of Stock Option Plan".

Stock Option Plans and Other Incentive Plans

The Corporation has no other incentive plans other than its Stock 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 Stock 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 Stock 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 Stock 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 Stock 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 (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.
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 190,951,949 Common Shares issued and outstanding so that a maximum of 19,095,195 Common Shares would be available for issuance pursuant to the stock options granted under the Stock Option Plan. Currently there are 8,600,000 stock options outstanding leaving 10,495,195 Common Shares available for grant of further options under the Stock Option Plan.

The Corporation has a Stock Option Plan that was adopted, ratified and approved by Shareholders on April 26, 2023. In accordance with the policies of the TSX Venture Exchange, a rolling plan requires an annual re-approval and ratification of the Stock Option Plan by the Shareholders at the Meeting. The Shareholders will be asked at the Meeting to ratify and re-approve and the Stock Option Plan. See "*Particulars of Other Matters to be Acted Upon - Ratification and Re-Approval of Stock Option Plan*").

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 Named Executive Officer or director.

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.

Mr. Kozlowski ceased to be the CEO of the Corporation effective October 14, 2022 and accordingly his Employment agreement was terminated as of October 14, 2022.

According to section 5.1 of the Employment Agreement, Mr. Kozlowski received on the termination date a payment of one fourth of the annual salary (or three months' salary) stipulated in the Employment Agreement as severance payment.

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 paid monthly fees of \$2,500 till March 2023, afterward, monthly fees of \$2,700 paid 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. The Shareholders will be asked at the Meeting to ratify and re- approve the Stock Option Plan which was previously adopted and approved by the Shareholders on April 26, 2023. See "*Particulars of Other Matters to be Acted Upon - Ratification and Re-Approval of Stock Option Plan*".

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 Stock 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, 2023 with respect to the Stock 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 ⁽¹⁾⁽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	8,600,000	\$0.36	10,126,266
Equity compensation plans not approved by securityholders	N/A	NA	N/A
Total	8,600,000	\$0.36	10,126,266

Notes:

1. Based on the Corporation having 187,262,663 issued shares as at the fiscal year end October 31, 2023. The Stock Option Plan provides that the aggregate number of securities reserved for issuance under the Stock 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 190,951,949 Common Shares issued and outstanding and 8,600,000 outstanding options, with the result that 10,495,195 options were available to the Corporation to be granted.
2. The Company completed a private placement financing of 21,739,130 units at a price of \$0.115 per unit for gross proceeds of \$2,500,000. Each unit consisted of one common share and one common share purchase warrant. Other warrants outstanding as at October 31, 2023 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, 2021 (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.

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	No	N/A

Note:

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

Note:

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 ⁽³⁾	Not independent	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.
3. Eric Krafft was appointed as Interim Chief Executive Officer effective October 14, 2022.

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 15 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. Mr. Krafft has over 15 years as Managing Owner/Director of numerous private ship-owning/operating and natural resource commodity related 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⁾
2023	\$54,000	Nil	\$7,000	Nil
2022	\$42,512	Nil	\$6,475	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 re-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, 2023 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 the Stock Option Plan

For a summary of the Stock 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 Stock Option Plan is attached in its entirety. The Stock Option Plan was originally approved by the Shareholders at the Annual General Meeting held on April 28, 2022 and re-approved by the Shareholders at the Annual General Meeting held April 26, 2023. The TSX Venture Exchange requires shareholder approval of the Stock 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 Stock Option Plan. **Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the resolution to ratify and re-approve the Stock Option Plan.**

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

"BE IT RESOLVED THAT:

1. the Stock Option Plan of the Corporation, as described in the management information circular and proxy statement of the Corporation dated March 19, 2024, 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 Stock Option Plan entitling all of the option holders 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 Stock 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.”

Recommendation of the Board

The Board has determined that the ratification and re-approval of the Stock Option Plan is in the best interests of the Corporation and the Shareholders and unanimously recommends that the Shareholders vote in favour of the Stock Option Plan. **In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form FOR the foregoing resolution.**

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.sedarplus.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.sedarplus.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 14th Floor, 1040 West Georgia Street, Vancouver, B.C., V6E 4H1.

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.

DATED at Vancouver, British Columbia, March 19, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Eric Kraft"

**Eric Krafft
Interim CEO**

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")

2022 STOCK OPTION PLAN

LEADING EDGE MATERIALS CORP.

STOCK OPTION PLAN

Effective Date: March 23, 2022

Approved by the Board of
Directors on March 23, 2022.

Approved by the
Shareholders on April 28, 2022.

TABLE OF CONTENTS

STOCK OPTION PLAN.....4

ARTICLE 1 PURPOSE.....4

 1.1 Purpose4

ARTICLE 2 INTERPRETATION4

 2.1 Definitions.....4

 2.2 Interpretation 10

ARTICLE 3 ADMINISTRATION 11

 3.1 Administration 11

 3.2 Delegation to Committee 12

 3.3 Determinations Binding..... 13

 3.4 Record Keeping..... 13

 3.5 Eligibility 13

 3.6 Board Requirements..... 13

 3.7 Liability Limitation and Indemnification 14

 3.8 Total Shares Subject to Options 14

 3.9 Limits on Options 14

 3.10 Option Agreements 15

 3.11 Non-transferability of Options..... 15

 3.12 Resale Restrictions..... 15

ARTICLE 4 OPTIONS 16

 4.1 Granting of Options 16

 4.2 Bona Fide Employee or Consultant..... 16

 4.3 Options Account..... 16

 4.4 Exercise Period of Options and Term of Option..... 16

 4.5 Number of Shares under an Option 16

 4.6 Exercise Price of an Option..... 17

 4.7 Vesting of Options and Acceleration 17

 4.8 Additional Terms..... 18

 4.9 Exercise of Options..... 18

 4.10 Issue of Share Certificates or Direct Registration Statements..... 19

 4.11 Termination of Options 19

ARTICLE 5 ADDITIONAL OPTION TERMS 19

 5.1 Black-Out Period 19

 5.2 Withholding Taxes..... 19

 5.3 Recoupment..... 20

 5.4 No Other Benefit 20

ARTICLE 6 TERMINATION OF EMPLOYMENT OR SERVICES 20

 6.1 Termination of Participant 20

6.2	Leave of Absence	22
6.3	Death or Disability.....	22
6.4	Discretion to Permit Acceleration	22
ARTICLE 7 EVENTS AFFECTING THE CORPORATION.....		22
7.1	Change in Control.....	22
7.2	Triggering Events	23
7.3	Reorganization of Corporation’s Capital.....	23
7.4	Assumptions of Options in Acquisitions	24
7.5	No Restriction on Action	24
7.6	Issue by Corporation of Additional Shares	24
7.7	Fractions.....	24
ARTICLE 8 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN.....		24
8.1	Discretion of the Plan Administrator	24
8.2	Amendment of Option or Plan.....	25
ARTICLE 9 MISCELLANEOUS.....		25
9.1	Legal Requirement.....	25
9.2	Rights of Participant	25
9.3	Conflict	25
9.4	Anti-Hedging Policy	26
9.5	No Guarantee of Tax Consequences.....	26
9.6	Participant Information.....	26
9.7	Participation in the Plan.....	26
9.8	Successors and Assigns	26
9.9	Severability.....	26
9.10	Notices	26
9.11	Effective Date and Replacement	27
9.12	Governing Law	27
9.13	Submission to Jurisdiction	27

STOCK OPTION PLAN

ARTICLE 1 PURPOSE

1.1 Purpose

The purpose of the Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants of the Corporation and its Subsidiaries, to reward such of those Executives, Employees and Consultants as may be granted Options under the Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Executives, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings:

“**Applicable Laws**” means the applicable laws and regulations and the requirements or policies of any governmental, regulatory authority, securities commission and any Exchange having authority over the Corporation or the Plan;

“**Black-Out**” means a restriction formally imposed by the Corporation, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options;

“**Board**” means the board of directors of the Corporation;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

“**Cause**” means:

- (a) unless the applicable Option Agreement states otherwise, with respect to any Employee, Officer or Consultant:
 - (i) if such Employee, Officer or Consultant is a party to an employment or service agreement with the Corporation or any of its Subsidiaries and such agreement provides for a definition of Cause, the definition contained therein; or
 - (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the employment or service agreement of such Employee, Officer or Consultant, without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the Employee, Officer or Consultant to carry out its duties properly or to comply with the rules, policies and practices of the Corporation or any of its Subsidiaries, as applicable; (B) a material breach of any agreement with the Corporation or any of its

Subsidiaries, as applicable, or a material violation of any written policy of the Corporation or any of its Subsidiaries, as applicable; (C) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) a material fiduciary breach with respect to the Corporation or any of its Subsidiaries, as applicable; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Subsidiaries; or (F) gross negligence or willful misconduct with respect to the Corporation or any of its Subsidiaries; and

- (b) with respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:
 - (i) gross misconduct or neglect;
 - (ii) willful conversion of corporate funds;
 - (iii) false or fraudulent misrepresentation inducing the Director's appointment; or
 - (iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance;

“Change of Business” has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

“Change in Control” means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Option Agreement, the occurrence of any one or more of the following events:

- (a) the direct or indirect acquisition or conversion from time to time of more than 50% of the issued and outstanding Shares, in aggregate, by a Person or group of Persons acting in concert, other than through an employee share purchase plan or employee share ownership plan;
- (b) a change in the composition of the Board which results in the majority of the directors of the Corporation not being individuals nominated by the Corporation's then incumbent directors; or
- (c) a merger, amalgamation, arrangement or reorganization of the Corporation with one or more corporations as a result of which, immediately following such event, the shareholders of the Corporation as a group, as they were immediately prior to such event, hold less than a majority of the outstanding Voting Shares of the surviving corporation;

“Committee” has the meaning set forth in Section 3.2;

“Company” means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“Consultant” means:

- (a) a Person (other than an Executive or Employee) that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to a distribution of securities (as defined under Applicable Laws);
 - (ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the Company, as the case may be; and
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its Subsidiaries, or
- (b) an individual (other than a Director, Officer or Employee) employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;

“**Corporate Policies**” means any of the policies of the Corporation;

“**Corporation**” means Leading Edge Material Corp.;

“**Date of Grant**” means, for any Option, the date specified by the Plan Administrator at the time it grants the Option (which, for greater certainty, shall be no earlier than the date on which the Board meets or otherwise acts for the purpose of granting such Option) or if no such date is specified, the date upon which the Option was granted;

“**Director**” means a director of the Corporation or of any of its Subsidiaries;

“**Disabled**” or “**Disability**” means a physical injury or mental incapacity of a nature which the Plan Administrator determines prevents or would prevent the Participant from satisfactorily performing the substantial and material duties of his or her position with the Corporation or any of its Subsidiaries;

“**Effective Date**” means the date the Plan becomes effective, which shall be upon receipt of all shareholder and regulatory approvals;

“**Employee**” means an individual who:

- (a) is considered an employee of the Corporation or any of its Subsidiaries under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
- (b) works full-time for the Corporation or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or of a Subsidiary of the Corporation, as the case may be, but for whom income tax deductions are not made at source; or
- (c) works for the Corporation or any of its Subsidiaries 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 Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or any of its Subsidiaries;

“**Exercise Notice**” means the written notice of the exercise of an Option, in the form set out in the Option Agreement (or in such other form as may be approved by the Plan Administrator, duly executed by the Participant;

“**Exercise Period**” means the period during which a particular Option may be exercised and is the period from and including the Date of Grant through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained;

“**Exercise Price**” means the price at which an Option is exercisable as determined in accordance with Section 4.6;

“**Expiry Date**” means the date the Option expires as set out in the Option Agreement or as otherwise determined in accordance with Sections 4.11, 5.1, 7.2, or ARTICLE 6;

“**Expiry Time**” means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date;

“**Exchange**” means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

“**Exchange Hold Period**” has the meaning attributed thereto in Policy 1.1 – *Interpretation*, as amended from time to time, of the TSXV Manual;

“**Executive**” means an individual who is a Director or Officer;

“**Good Reason**” means any one or more of the following events occurring following a Change in Control and without the Participant’s written consent:

- (a) the Participant is placed in a position of lesser stature than its current position and, is assigned duties that would result in a material change in the nature or scope of powers, authority, functions or duties inherent in such a position immediately prior to the Change in Control;
- (b) a material decrease in the Participant’s base salary or a material decrease in the Participant’s short-term incentive grants, long-term incentive grants, benefits, vacation or other compensation;
- (c) a requirement that the Participant relocate to a location greater than 40 kilometers from the Participant’s primary work location immediately prior to the Change in Control; or
- (d) any action or event that would constitute constructive dismissal of the Participant at common law;

“**Insider**” means:

- (a) a director or senior officer of the Corporation;
- (b) a director or senior officer of a Company that is an Insider or a Subsidiary of the Corporation;

- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares of the Corporation carrying more than 10% of the voting rights attached to the Voting Shares of the Corporation; or
- (d) the Corporation itself if it holds any of its own securities;

“**Investor Relations Service Providers**” has the meaning attributed thereto in Policy 4.4 – *Security Based Compensation*, as amended from time to time, of the TSXV Manual;

“**Market Price**” means the market value of the Shares as determined in accordance with Section 4.6;

“**Officer**” means an officer of the Corporation or of any of its Subsidiaries;

“**Option**” means an incentive share purchase option granted pursuant to the Plan entitling a Participant to purchase Shares of the Corporation;

“**Option Agreement**” means an agreement issued by the Corporation in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Option has been granted under the Plan and which need not be identical to any other such agreements;

“**Outstanding Options**” has the meaning ascribed to it in Section 3.8;

“**Participant**” means an Executive, Employee or Consultant to whom an Option has been granted under the Plan;

“**Person**” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

“**Personal Representative**” means: (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of a Participant who, for any reason, is unable to manage his or her affairs, the Person entitled by law to act on behalf of such Participant;

“**Plan**” means this Stock Option Plan, as may be amended from time to time;

“**Plan Administrator**” means the Board, or if the administration of the Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“**Prior Plan**” means the Corporation’s prior stock option plan adopted and re-approved by shareholders of the Corporation on April 21, 2021;

“**Regulatory Approvals**” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of the Plan or for the Options granted from time to time hereunder;

“**Regulatory Authorities**” means all Exchanges and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation, the Plan or the Options granted from time to time hereunder;

“**Reorganization**” has the meaning attributed thereto in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, as amended from time to time, of the TSXV Manual;

“**Reverse Takeover**” has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

“**RRIF**” means a registered retirement income fund as defined in the Tax Act;

“**RRSP**” means a registered retirement savings plan as defined in the Tax Act;

“**Security Based Compensation Arrangement**” for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Corporation provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Corporation’s treasury to Executives, Employees or Consultants, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan guarantee or otherwise, but for greater certainty does not involve compensation arrangements which do not involve the issuance or potential issuance of securities from the Corporation’s treasury or arrangements under which compensation arrangements are settled solely in cash and/or securities purchased on the secondary market;

“**Share**” means one (1) common share in the capital of the Corporation as constituted on the Effective Date or after an adjustment contemplated by ARTICLE 7, such other shares or securities to which the holder of an Option may be entitled as a result of such adjustment;

“**Shareholder Approval**” means approval by the Corporation’s shareholders in accordance with the policies of the Exchange;

“**Subsidiary**” means a body corporate that is controlled by the Corporation and, for the purposes of this definition, a body corporate will be deemed to be controlled by the Corporation if the Corporation, directly or indirectly, has the power to direct the management and policies of the body corporate by virtue of ownership of, or direction over, voting securities in the body corporate;

“**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

“**Termination Date**” means (i) the date designated by the Participant and the Corporation or a Subsidiary of the Corporation in a written employment agreement, or other written agreement between the Participant and Corporation or a Subsidiary of the Corporation, or (ii) if no written agreement exists, the date designated by the Corporation or a Subsidiary of the Corporation, as the case may be, on which a Participant ceases to be an employee of the Corporation or a Subsidiary of the Corporation or ceases to provide services to the Corporation or a Subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment or termination of services by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and “Termination Date” specifically does not mean the date of termination of any period of reasonable notice that the Corporation or a Subsidiary of the Corporation, as applicable, may be required by law to provide to the Participant;

“**Triggering Event**” means:

- (a) the proposed dissolution, liquidation or wind-up of the Corporation;
- (b) a proposed Change in Control;
- (c) the proposed sale or other disposition of all or substantially all of the assets of the Corporation; or

- (d) a proposed material alteration of the capital structure of the Corporation which, in the opinion of the Plan Administrator, is of such a nature that it is not practical or feasible to make adjustments to the Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect;

“**TSXV**” means the TSX Venture Exchange;

“**TSXV Manual**” means the TSXV Corporate Finance Manual;

“**Vested**” means a portion of the Option granted to the Participant which is available to be exercised by such Participant at any time and from time to time;

“**Voting Share**” means a security of a Company that:

- (a) is not a debt security; and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing; and

“**VWAP**” means the volume-weighted average trading price of the Shares on the TSXV calculated by dividing the total value by the total volume of the Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSXV may exclude internal crosses and certain other special terms trades from the calculation.

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of the Plan, the term “discretion” means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms “Article”, “Section” and “clause” mean and refer to the specified Article, Section and clause of the Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 3
ADMINISTRATION

3.1 Administration

Subject to and consistent with the terms of the Plan, Applicable Laws, the applicable rules and policies of the Exchange, and the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Plan will be administered by the Plan Administrator, and the Plan Administrator has sole and complete authority, in its discretion, without limitation, to:

- (a) determine the Persons who are eligible to be Participants in accordance with Section 3.4;
- (b) make grants of Options under the Plan relating to the issuance of Shares in such amounts, to such Participants and, subject to the provisions of the Plan, on such terms and conditions as it determines including without limitation:
 - (i) the time or times at which Options may be granted, including the applicable Date of Grant;
 - (ii) the conditions under which an Option or any portion thereof may be granted to a Participant including, without limitation, the Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
 - (iii) the consequences of a termination with respect to an Option;
 - (iv) the number of Shares subject to each Option;
 - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Option, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Option, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of the Option Agreement and Exercise Notice;
- (d) amend the terms of any Option, subject to and in accordance with the terms and conditions of the Plan;
- (e) cancel, amend, adjust or otherwise change any Option under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Plan, including but not limited to:
 - (i) allowing non-Vested Options to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or Disability;
 - (ii) providing that the Options with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;

- (iii) providing for the continuation of any Option for such period which is not longer than 12 months from the Termination Date or 12 months from the date of death or Disability of the Participant, and upon such terms and conditions as are determined by the Plan Administrator in the event that a Participant ceases to be an Executive, Employee or Consultant, as the case may be;
 - (iv) providing that Vested Options may be exercised for periods longer or different from those set forth in the Plan, subject to the applicable rules of the Exchange; and
 - (v) setting any other terms for the exercise or termination of an Option upon termination of employment or service;
- (f) construe and interpret the Plan and all Option Agreements;
 - (g) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;
 - (h) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
 - (i) determine whether, to what extent, and under what circumstances an Option may be exercised in cash, through a cashless exercise or through net exercise pursuant to Section 4.9;
 - (j) determine the duration and purposes of leaves of absence from employment or engagement by the Corporation which may be granted to Participants without constituting a termination of employment or engagement for purposes of the Plan;
 - (k) authorize Persons to execute such documents and instruments as may be necessary to carry out the purposes of the Plan and grants of Options from time to time hereunder;
 - (l) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan; and
 - (m) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Plan.

3.2 **Delegation to Committee**

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by Applicable Law, the Board may, from time to time, delegate to a committee of the Corporation (the “**Committee**”), consisting of not less than two of its members, all or any of the powers conferred on the Plan Administrator pursuant to the Plan, including the power to sub-delegate to any specified Directors or Officers all or any of the powers delegated by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused ,or remove all members of the Committee and thereafter directly administer the Plan.

- (c) In the event the Board delegates to the Committee all or any of the powers conferred on the Plan Administrator pursuant to the Plan, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of the Plan in this context is final and conclusive and binding on the Corporation and all affiliates of the Corporation, all Participants and all other Persons.

3.3 **Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration interpretation of the Plan is final, conclusive and binding on all affected Persons, including the Corporation and any of its Subsidiaries, the affected Participants and their Personal Representatives, any shareholder of the Corporation and all other Persons.

3.4 **Record Keeping**

The Corporation will maintain a register in which will be recorded:

- (a) with respect to each Option granted to a Participant :
- (i) the name and address of the Participant;
 - (ii) the Date of Grant;
 - (iii) the number of Shares issuable under the Option as of the Date of Grant;
 - (iv) the Exercise Price;
 - (v) any vesting conditions;
 - (vi) the number of Shares issued under the Option (and the dates of issuance); and
- (b) the Expiry Date; and the aggregate number of Shares subject to Options.

3.5 **Eligibility**

Subject to the discretion of the Plan Administrator, all Executives, Employees and Consultants are eligible to participate in the Plan. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Executive, Employee or Consultant any right to receive any grant of an Option pursuant to the Plan. In addition, in order to be eligible to receive Options, in the case of Employees and Consultants, the Option Agreement to which they are a party must contain a representation of the Corporation and of such Employee or Consultant, as the case may be, that such Employee or Consultant is a bona fide Employee or Consultant of the Corporation or a Subsidiary of the Corporation, as the case may be.

3.6 **Board Requirements**

Any Option granted under the Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Option upon any securities exchange or under any Applicable Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction

over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Option or the issuance or purchase of Shares thereunder, such Option may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.7 **Liability Limitation and Indemnification**

No member of the Board or the Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Option Agreement or any Option granted hereunder.

3.8 **Total Shares Subject to Options**

Subject to adjustment pursuant to ARTICLE 7, the number of Shares hereby reserved for issuance to Participants under the Plan shall not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options. There are **8,470,000** Options (the “**Outstanding Options**”) outstanding on the date hereof which were granted under the Prior Plan, which will remain in full force and effect in accordance with their terms. The number of Shares issuable upon exercise of the Outstanding Options shall be included in the calculation of the maximum number of Shares issuable pursuant to Options. Any Shares subject to an Option which has been granted under the Plan and which has been cancelled, terminated, surrendered, forfeited or expired without having been exercised as provided for in the Plan shall again be available under the Plan.

3.9 **Limits on Options**

Notwithstanding anything in the Plan, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) unless disinterested Shareholder Approval is obtained in accordance with the policies of the TSXV (or unless permitted otherwise by the policies of the TSXV):
 - (i) the maximum number of Shares that may be issued to any one Participant (and where permitted pursuant to the policies of the TSXV, any Company that is wholly-owned by the Participant) under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Date of Grant;
 - (ii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Date of Grant; and
 - (iii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, may not exceed 10% of the issued Shares at any time;
- (b) the maximum number of Shares that may be issued to any one Consultant under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements,

within a 12-month period, may not exceed 2% of the issued Shares calculated on the Date of Grant;

- (c) the maximum aggregate number of Shares issuable pursuant to Options granted in any 12 month period to all Investor Relations Service Providers in aggregate must not exceed 2% of the issued Shares calculated on the Date of Grant;
- (d) Options granted to Investor Relations Service Providers must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period; and
- (e) any Options granted to a Participant who ceases to be a Participant under the Plan for any reason whatsoever shall terminate at a date no later than 12 months from the date such Participant ceases to be a Participant under the Plan.

3.10 Option Agreements

Each Option under the Plan will be evidenced by an Option Agreement. Each Option Agreement will be subject to the applicable provisions of the Plan and will contain such provisions as are required by the Plan and any other provisions that the Plan Administrator may direct.

3.11 Non-transferability of Options

Except to the extent that certain rights may pass to a beneficiary or Personal Representative upon death of a Participant by will or as required by law, no Option is assignable or transferable.

3.12 Resale Restrictions

Any Options or Shares issued by the Corporation upon exercise or settlement of an Option are subject to any resale and trading restrictions in effect pursuant to Applicable Laws and the policies of the Exchange, including the Exchange Hold Period, if applicable, and the Corporation shall be entitled to place any restriction or legend on any certificates representing such Shares accordingly. Any Option Agreement will bear the following legend, if required pursuant to the policies of the TSXV:

“Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement, and any securities issued upon exercise hereof, 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 [**The date that is four months and one day after the date of the grant of the Option will be inserted**].”

Any certificate representing Shares issued pursuant to an exercise of an Option before the date that is four month and one day after the date of grant of an Option will bear the following legend, if required pursuant to the policies of the TSXV:

“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 [**The date that is four months and one day after the date of the grant of the Option will be inserted**].”

ARTICLE 4 OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of the Plan and such other terms and conditions as the Plan Administrator may determine, grant Options to any Participant, and in doing so, may, without limitation, in its discretion:

- (a) designate the Participants who may receive Options under the Plan,
- (b) fix the number of Options to be granted to each Participant and the date or dates on which such Options shall be granted,
- (c) determine the number of Shares issuable under the Option,
- (d) determine the Exercise Price,
- (e) determine the Expiry Date,
- (f) determine the relevant conditions and vesting schedules in respect of any Options,
- (g) determine the nature and duration of the restrictions, if any, to be imposed on the sale or other disposition of Shares acquired on the exercise of the Option, and
- (h) determine the events, if any, that could give rise to a termination or expiry of the Participant's rights under the Option, and the period in which such a termination or expiry can occur.

4.2 Bona Fide Employee or Consultant

If an Option is to be granted to an Employee or a Consultant, the Corporation and the Person to whom that Option is proposed to be granted are responsible for ensuring and confirming that the Person is a bona fide Employee or Consultant

4.3 Options Account

All Options received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation as of the Date of Grant. The terms and conditions of each Option grant shall be evidenced by an Option Agreement.

4.4 Exercise Period of Options and Term of Option

Subject to Sections 4.11, 5.1, and 7.4 and ARTICLE 6, the Date of Grant and the Expiry Date of an Option shall be the dates fixed by the Plan Administrator at the time the Option is granted and shall be set out in the Option Agreement issued in respect of such Option, provided that the duration of such Option will not exceed the maximum term permitted by each organized trading facility on which the Shares are listed, being ten (10) years for the TSXV from the Date of Grant of such Option (subject to extension where the Expiry Date is within a Black-Out period pursuant to Section 5.1).

4.5 Number of Shares under an Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Plan Administrator and shall be set out in the Option Agreement issued in respect of the Option.

4.6 **Exercise Price of an Option**

The Exercise Price at which a Participant may purchase a Share upon the exercise of an Option shall be determined by the Plan Administrator and shall be set out in the Option Agreement issued in respect of the Option. The Exercise Price shall not be less than the Market Price of the Shares as of the Date of Grant. The Market Price of the Shares for a particular Date of Grant shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Price will be:
 - (i) the closing trading price of the Shares on the day immediately preceding the issuance of the news release announcing the grant of the Option, or
 - (ii) if, in accordance with the policies of the TSXV, the Corporation is not required to issue a news release to announce the grant and exercise price of the Option, the closing trading price of the Shares on the day immediately preceding the Date of Grant,

and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Shares are listed on more than one organized trading facility, the Market Price shall be the Market Price as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Plan Administrator, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Date of Grant, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator; and
- (d) if the Shares are not listed on any organized trading facility, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator to be the fair value of the Shares, taking into consideration all factors that the Plan Administrator deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Price be less than the minimum prescribed by each of the organized trading facilities that would apply to the Corporation on the Date of Grant in question.

4.7 **Vesting of Options and Acceleration**

Subject to the limitations in Section 3.9 and all Applicable Laws, the vesting schedule for an Option, if any, shall be determined by the Plan Administrator and shall be set out in the Option Agreement issued in respect of the Option. The Plan Administrator may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be

considered an amendment to the Option in question requiring the consent of the Participant under Section 8.2 of the Plan. Notwithstanding the foregoing, if the Corporation is listed on the TSXV, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

4.8 Additional Terms

Subject to all Applicable Laws and all necessary Regulatory Approvals, the Plan Administrator may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in the Option Agreement. The Option Agreements will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Corporation shall prevail over the terms and conditions in the Option Agreement.

4.9 Exercise of Options

An Option may be exercised only by the Participant or the Personal Representative of any Participant. A Participant or the Personal Representative of any Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Plan Administrator the required Exercise Notice, the applicable Option Agreement and one of following forms of consideration, subject to Applicable Laws:

- (a) *Cash Exercise* - Consideration may be paid by a Participant sending a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option.
- (b) *Exercise funded by Loan* - Subject to approval from the Plan Administrator on terms and conditions which the Plan Administrator may determine, and further subject to the Shares being traded on the Exchange, consideration may be paid by a Participant sending a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option, with the aggregate Exercise Price being funded as follows: (i) a brokerage firm loans the aggregate Exercise Price to the Participant (the “**Loan**”); (ii) the Corporation issues the Shares then being purchased pursuant to the exercise of the Option and deposits the Shares with the brokerage firm; (iii) the brokerage firm then sells a sufficient number of those Shares on behalf of the Participant to generate net cash sale proceeds to repay the Loan; and (iv) the net cash sale proceeds are applied in full repayment of the Loan to the brokerage firm and the Participant is entitled to receive any remaining balance of the net cash sale proceeds and the balance of the Shares, less any applicable withholding tax deducted or withheld pursuant to Section 5.2.
- (c) *Net Exercise* - Subject to approval from the Plan Administrator on terms and conditions which the Plan Administrator may determine, and further subject to the Shares being traded on the Exchange, consideration may be paid by a Participant, excluding Investor Relations Service Providers, surrendering or terminating the right to purchase a certain number of the Shares otherwise issuable under the Options such that the net value of the rights surrendered or terminated is equal to the aggregate Exercise Price of the net number of Shares to be issued and, in that case, the aggregate Exercise Price of the net number of Shares to be issued will be paid and satisfied by the surrender or termination of such rights, and the Participant will only receive the net number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied

by the difference between the VWAP of the underlying Shares and the Exercise Price of the subject Options, by (ii) the VWAP of the underlying Shares. The number of Shares delivered to the Participant may be further reduced to satisfy applicable tax withholding obligations pursuant to Section 5.2.

4.10 Issue of Share Certificates or Direct Registration Statements

As soon as reasonably practicable following the receipt of the Exercise Notice, the Plan Administrator shall cause to be delivered to the Participant a certificate or direct registration statement for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Agreement surrendered, the Plan Administrator shall also provide a new Option Agreement for the balance of Shares available under the Option to the Participant concurrent with delivery of the certificate or direct registration statement for the Shares.

4.11 Termination of Options

Subject to such other terms or conditions that may be attached to Options granted hereunder, a Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Plan Administrator at the time the Option is granted as set out in the Option Agreement and the date established, if applicable, pursuant to ARTICLE 6.

ARTICLE 5 ADDITIONAL OPTION TERMS

5.1 Black-Out Period

If the Expiry Date for an Option occurs during the Black-Out period, then, notwithstanding any other provision of the Plan, the Option shall be extended no more than ten (10) Business Days after the date the Black-Out is lifted by the Corporation, unless the delayed expiration would result in tax penalties or the Participant or the Corporation is subject to a cease trade order in respect of the Corporation's securities.

5.2 Withholding Taxes

The granting, vesting or exercise of each Option under the Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary, desirable, or required by law in respect of such Option, including the grant, vesting, termination, surrender, or exercise, such action is not effective unless the deduction or withholding of such tax or other amounts has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a Subsidiary of the Corporation is obliged to remit to the relevant taxing authority in respect of the granting, vesting, termination, surrender, or exercise of the Option. Any such additional payment is due no later than the date on which such amount with respect to the Option is required to be remitted to the relevant tax authority by the Corporation or a Subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or a Subsidiary of the Corporation to the Participant, (b) require the sale of a number of Shares issued upon exercise or vesting of such Option and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount or (c) enter into any other suitable arrangements for the receipt of such amount.

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Options granted under the Plan, whether arising as a result of the grant, vesting, termination, surrender, exercise, cashless exercise, net exercise, or payment in respect of the Option or otherwise. The Corporation, the Plan Administrator and the Board make no guarantees to any Person regarding the tax treatment in respect of any Option or any issuance of Shares and none of the Corporation, the Board, the Plan Administrator or any of the Executives, Employees, Consultants, agents, advisors or representatives of the Corporation or the Subsidiary of the Corporation shall have any liability to a Participant with respect thereto.

5.3 Recoupment

Notwithstanding any other terms of the Plan, Options may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or a Subsidiary of the Corporation and in effect at the Date of Grant of the Option, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 5.3 to any Participant or category of Participants.

5.4 No Other Benefit

- (a) No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share or the value of any Option granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.
- (b) The Corporation makes no representations or warranties to Participants with respect to the Plan or any Options whatsoever. Participants are expressly advised that the value of any Options issued pursuant to the Plan will fluctuate as the trading price of the Shares fluctuates.
- (c) In seeking the benefits of participation in the Plan, the Participant shall exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of any Options.

ARTICLE 6 TERMINATION OF EMPLOYMENT OR SERVICES

6.1 Termination of Participant

Subject to ARTICLE 7 and unless otherwise determined by the Plan Administrator or as set forth in an Option Agreement:

- (a) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, then each Option held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. The Plan Administrator, in its discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause. In addition, where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, the Plan Administrator may, in its discretion, determine that all Options held by the Participant that have Vested as of the Termination Date shall immediately become forfeited, cancelled, null and void, failing which, all Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.9 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and

- (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;
- (b) where a Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant, then each Option held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. All Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.9 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;
- (c) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice); then:
- (i) a portion of any Options held by the Participant that are not yet Vested shall immediately vest, with such portion to be equal to the number of unvested Options multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date the unvested Options were originally scheduled to vest. For clarity and by way of example, if a Participant's employment is terminated 400 days following the Date of Grant and unvested Options were originally scheduled to vest 600 days from the Date of Grant, two-thirds of the unvested Options will immediately vest;
- (ii) subject to Section 6.1(c)(i), any Options held by the Participant that are not yet Vested at the Termination Date after the application of Section 6.1(c)(i) shall be immediately forfeited to the Corporation; and
- (iii) any Options held by the Participant that have Vested as of the Termination Date or Vested pursuant to Section 6.1(c)(i) shall be settled in accordance with Section 4.9 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;
- (d) notwithstanding that such date may be prior to the Termination Date, a Participant's eligibility to receive further grants of Options under the Plan ceases as of the date that: (i) the Corporation or a Subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 6.1, or (ii) the Participant provides the Corporation or a Subsidiary of the Corporation, as the case may be, with written notification of the Participant's voluntary resignation;
- (e) unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options shall not be affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or a Subsidiary of the

Corporation for so long as the Participant continues to be an Executive, Employee or Consultant, as applicable, of the Corporation or a Subsidiary of the Corporation.

6.2 Leave of Absence

If a Participant is on sick leave or other bona fide leave of absence, such Participant shall continue to be deemed a “Participant” for the purposes of an outstanding Option during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Plan Administrator in its discretion). If the period of leave exceeds 90 days (or such longer period as may be determined by the Plan Administrator in its discretion), the relationship shall be deemed to have been terminated by the Participant voluntarily on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Plan Administrator) of such leave, unless the Participant’s right to reemployment or reengagement of services with the Corporation or a Subsidiary of the Corporation, as applicable, is guaranteed by statute or contract.

6.3 Death or Disability

Where a Participant’s employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, then each Option held by the Participant that has not Vested as of the date of the death or Disability, as applicable, of such Participant shall vest on such date, and be exercisable in accordance with Section 4.9 at any time during the period that terminates on the earlier of: (i) the Expiry Date; and (ii) first anniversary of the date of the death or Disability of the Participant. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period. A Participant’s eligibility to receive further grants of Options under the Plan ceases as of the date of the death or Disability of the Participant.

6.4 Discretion to Permit Acceleration

Notwithstanding the provisions of this ARTICLE 6, subject to Section 3.9(d) and any necessary Regulatory Approvals, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in ARTICLE 6, permit the acceleration of vesting of any or all Options, all in the manner and on the terms as may be authorized by the Plan Administrator, and if such discretion is taken and the vesting of any or all Options occurs, then such Options will be exercised in accordance with Section 4.9.

ARTICLE 7 EVENTS AFFECTING THE CORPORATION

7.1 Change in Control

Except as may be set forth in an employment agreement or other written agreement between the Corporation or a Subsidiary of the Corporation and the Participant and subject to any necessary Regulatory Approvals:

- (a) Unless determined otherwise by the Plan Administrator, if within 12 months following the completion of a transaction resulting in a Change in Control, (i) a Participant’s employment or directorship is terminated by the Corporation or a Subsidiary of the Corporation without Cause or (ii) a Participant resigns for Good Reason, without any action by the Plan Administrator, the vesting of all Options held by such Participant shall immediately accelerate and vest on the date of such Participant’s termination or resignation for Good Reason and the Options shall be exercisable in accordance with Section 4.9 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination

Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period.

- (b) Notwithstanding Section 7.1(a), the Plan Administrator may, without the consent of any Participant, and subject to prior TSXV acceptance pursuant to Section 8.2(a), as applicable, take such steps as it deems necessary or desirable in connection with a Change in Control, including, without limitation, to cause: (i) the conversion or exchange of any outstanding Options into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Options to vest and become realizable, or payable; (iii) restrictions applicable to an Option to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iv) the termination of an Option in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the settlement of such Option or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the settlement of such Option or realization of the Participant's rights, then such Option may be terminated by the Corporation without payment); (v) the replacement of such Option with other rights or property selected by the Board in its discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this Section 7.1(a), the Plan Administrator will not be required to treat all Options similarly in the transaction.

7.2 **Triggering Events**

Subject to any necessary Regulatory Approvals and notwithstanding any other provisions of the Plan or any Option Agreement, the Plan Administrator may, without the consent of the Participant in question cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event, provided that the Corporation must give written notice to the Participant in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Participant the opportunity to exercise the Vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Corporation proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

7.3 **Reorganization of Corporation's Capital**

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control, or in the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control, that would warrant the amendment or replacement of any existing Options in order to adjust the number of Shares that may be acquired on the vesting of outstanding Options and/or the terms of any Option in order to preserve proportionately the rights and obligations of the Participants holding such Options, the Plan Administrator may, subject to the prior approval of the Exchange, if required, authorize such steps to be taken as it may consider to be equitable and appropriate to that end, including, but not limited to, permitting the immediate vesting of any unvested Options and amending the Exercise Price payable per Share.

7.4 **Assumptions of Options in Acquisitions**

Notwithstanding any other provision of the Plan, in connection with a Reverse Takeover, a Change of Business, a Reorganization or an acquisition pursuant to Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV Manual, subject to prior TSXV acceptance, security based compensation of a target Company may be cancelled and replaced with substantially equivalent Options under the Plan without shareholder approval, provided that the rules of the TSXV are complied with.

7.5 **No Restriction on Action**

The existence of the Plan and of any Options granted hereunder shall not affect, limit or restrict in any way the right or power of the Corporation, the Board or the Corporation's shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise. No Participant or any other Person shall have any claim against any member of the Committee or the Corporation or any Employees, Officers or agents of the Corporation as a result of any such action.

7.6 **Issue by Corporation of Additional Shares**

Except as expressly provided in this ARTICLE 7, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Options.

7.7 **Fractions**

No fractional Shares will be issued pursuant to an Option. Accordingly, if, as a result of any adjustment under this ARTICLE 7, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares (rounded down to the nearest whole number) and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 8 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

8.1 **Discretion of the Plan Administrator**

Subject to any Regulatory Approvals, including, where required, the approval of the TSXV and to Section 8.2, the Plan Administrator may, from time to time, without notice to or approval of the Participants or of the shareholders of the Corporation, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that, no such amendment, modification, change, suspension or termination of the Plan or any Options granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any Applicable Laws or Exchange requirements or as otherwise set out in the Plan.

8.2 **Amendment of Option or Plan**

Notwithstanding Section 8.1 and subject to any rules of the Exchange, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) any adjustment to Options, other than in connection with a security consolidation or security split, is subject to the prior acceptance of the TSXV;
- (b) any amendment to the Plan is subject to the prior acceptance of the TSXV, except for amendments to: (i) reduce the number of Shares that may be issued under the Plan, (ii) increase the Exercise Price of Options, or (iii) cancel Options;
- (c) subject to any rules of the TSXV, approval of shareholders of the Corporation shall be required for any amendment to the Plan except for amendments to: (i) fix typographical errors, and (ii) clarify existing provisions of the Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and
- (d) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option, held by an Insider at the time of the proposed amendment is subject to disinterested shareholder approval in accordance with the policies of the TSXV.

ARTICLE 9 MISCELLANEOUS

9.1 **Legal Requirement**

The Corporation is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

9.2 **Rights of Participant**

No Participant has any claim or right to be granted an Option and the granting of any Option is not to be construed as giving a Participant a right to remain as an Executive, Employee or Consultant of the Corporation or a Subsidiary of the Corporation. Neither the Participant nor such Participant's Personal Representatives shall have any rights whatsoever as a shareholder of the Corporation in respect of Shares issuable pursuant to any Option until the allotment and issuance to such Participant or the liquidator, executor or administrator, as the case may be, of the estate of such Participant, of certificates representing such Shares (or in the case of Shares issued in uncertificated form, receipt of evidence of a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Corporation).

9.3 **Conflict**

In the event of any conflict between the provisions of the Plan and the provisions of an Option Agreement, an employment agreement or another written agreement between the Corporation or a Subsidiary of the Corporation and a Participant, the provisions of the Plan shall govern.

9.4 **Anti-Hedging Policy**

By accepting the Option, each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options.

9.5 **No Guarantee of Tax Consequences**

Neither the Plan Administrator nor the Corporation makes any commitment or guarantee that any specific tax treatment will apply or be available to the Participants.

9.6 **Participant Information**

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

9.7 **Participation in the Plan**

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant.

9.8 **Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Corporation and its affiliates.

9.9 **Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

9.10 **Notices**

All written notices to be given by the Participant to the Corporation shall be delivered by (a) hand or courier, with all fees and postage prepaid, addressed using the information specified below, or designated otherwise by the Corporation in writing; or (b) email to the email address that the parties regularly use to correspond with one another or to any other email address specified by the Corporation in writing to the Participant:

Leading Edge Materials Corp.
1305 – 1090 West Georgia Street
Vancouver, BC, V6E 3V7

Attention: Chief Executive Officer

Such notices are, if delivered by hand or by courier, deemed to have been given by the sender and received by the addressee at the time of delivery. Any notice sent by email will be deemed to have been given by the sender and received by the addressee on the first Business Day after it was transmitted. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

9.11 Effective Date and Replacement

The Plan shall become effective upon the receipt of all required shareholder and regulatory approvals, being the Effective Date, and will replace the Prior Plan. All awards granted under the Prior Plan and which remain outstanding at the Effective Date will remain in full force and effect in accordance with their terms; however, following the Effective Date, no additional grants shall be made under the Prior Plan, and the Prior Plan will terminate on the date upon which no further Outstanding Options remain outstanding.

9.12 Governing Law

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

9.13 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including with respect to the grant of Options and any issuance of Shares made in accordance with the Plan.