



## WHISTLEBLOWER POLICY

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### OBJECTIVE AND SCOPE

This Policy applies to Critical Elements Lithium Corporation (“Critical Elements” or the “Corporation”) directors, officers and employees, as well as its subsidiaries, divisions and affiliates.

Critical Elements embraces values, such as care, respect, accountability, integrity and collaboration. The Corporation is committed to maintaining the highest standards of transparency, professional conduct and ethics in its business activities, accounting standards and disclosures, internal accounting controls and audit practices. It is the policy of Critical Elements to comply with and require its directors, officers, employees and affiliates to comply with all applicable legal and regulatory requirements relating to corporate reporting and disclosure, accounting and auditing controls and procedures, securities compliance and other matters pertaining to fraud. Every individual has the responsibility to assist the Corporation in meeting these requirements.

In accordance with the Corporation's commitment set out above, this *Whistleblower Policy* (the “Policy”) is established to govern the process by which its directors, officers, employees and others can report complaints or concerns of violations with respect to the Corporation’s compliance with internal controls, legal and regulatory requirements and Corporate Policies, including Critical Elements’ *Code of Business Conduct and Ethics*.

### OVERSIGHT

The Audit Committee shall immediately be informed of any complaint or concern relating to:

- financial statement disclosures or accounting, internal accounting controls or auditing matters;
- non-compliance with any legal or regulatory requirement;
- retaliation against anyone who has made a complaint under this Policy; or
- violations of the Corporation’s Code of Business Conduct and Ethics.

The Audit Committee will report to the Corporation’s independent auditor the number, the nature and the outcome of any complaints that are received under this Policy.

## REPORTING ALLEGED VIOLATIONS AND COMPLAINTS

Directors, officers, employees and other affiliates have a contractual responsibility to adhere to all corporate policies, procedures and controls. Individuals are expected to report violations or suspicions of breaches of such policies referred to as “Complaints”.

Examples of Complaints include, but are not limited to:

- violations of the Corporation's Code of Business Conduct and Ethics;
- the use of the Corporation's funds or property for any illegal, improper or unethical purpose (for example, fraud, theft of corporate property, embezzling funds, misappropriating funds, bribes, kickbacks or influence payments);
- the tampering of any of the Corporation's accounting or audit-related records or documents (in any format, including electronic records such as e-mails) or destroying any of the Corporation's accounting or audit-related records or documents except as otherwise permitted or required by the Corporation's records retention policy;
- fraud or deliberate error in the preparation, evaluation, review or audit of any of the Corporation's financial statements;
- fraud or deliberate error in the recording and maintaining of the Corporation's financial records (for example, overstating expense reports, falsifying time sheets, preparing erroneous invoices, misstating inventory records or describing an expenditure for one purpose when, in fact, it is being made for something else);
- deficiencies in or non-compliance with the Corporation's internal accounting controls (for example, circumventing review and approval procedures);
- misrepresentations or false statements to or by an officer, employee or accountant regarding a matter contained in the Corporation's financial records, financial reports or audit reports;
- deviation from full and fair reporting of the Corporation's financial condition, results of operations or cash flows; and
- any effort to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statement or records of the Corporation.

Any individual who finds their concerns about a Complaint not satisfactorily addressed by their immediate supervisor (or higher-ranking persons) within the Corporation, or who has reasons to believe that the seriousness and sensitivity of the issues or people involved require that the reporting of such Complaint should neither be addressed to the attention of his immediate supervisor, nor follow the normal corporate reporting channels, should contact the Chair of the Audit Committee of the Board of Directors (“Corporation Alert Officer”) and/or the Chair of Governance and Nominating Committee, who are independent directors and not an internal employee of the Corporation, by any of the following methods:

E-mail:           whistleblower@cecorp.ca  
Mail:               The Chair of the Audit Committee and/or

Chair of Governance and Nominating Committee  
Critical Elements Lithium Corporation  
Suite 2101-1080 Côte du Beaver Hall  
Montreal, Quebec, Canada  
H2Z 1S8

When filing a complaint, individuals will be asked to provide the following:

- the background and history of the Complaint (giving relevant dates);
- the reasons prompting the particular concern;
- the extent to which the Concerned Person has personally witnessed or experienced;
- the Complaint (providing documented evidence where possible).

## **INVESTIGATION**

The Audit Committee or a Committee of independent directors so designated by the Board, shall determine the steps and procedures to be taken to investigate the Complaint and whether an investigation is appropriate depending upon, among any other factors, the circumstances, the nature of the alleged wrongdoing, who the alleged wrongdoer is, the seriousness of the alleged wrongdoing, and how credible is the allegation of wrongdoing.

The investigator may enlist the assistance of anyone it considers appropriate to conduct the investigation, including employees, human resources, and/or outside legal, accounting or other advisors. It is the obligation of all employees, officers and directors to cooperate in any investigation.

In the event that an investigation establishes that an employee, officer or director has engaged in conduct or actions constituting discrimination, harassment and/or retaliation in violation of this Policy, the Corporation will take immediate and appropriate corrective action up to and including termination of an individual's position with the Corporation.

In the event that, in good faith, a Concerned Person reports a Complaint that is not confirmed by subsequent investigation or otherwise, no action shall be taken against such Concerned Person. In the event that the investigation reveals that the complaint was frivolously made or undertaken for improper motives or made in bad faith or without a reasonable and probable basis, the complainant's supervisor will take whatever disciplinary action that may be appropriate in the circumstances including possible dismissal for cause.

Except in the case of anonymous allegations, the Concerned Person will be informed of the outcome of any investigation and/or any treatment of his or her claim or notice.

## **PROTECTION OF WHISTLEBLOWER**

To protect individuals from retaliation, harassment or victimization, the Corporation will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits a complaint in good faith or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory, or law enforcement body investigating a complaint.

The Corporation will maintain the confidentiality of the allegations of the complaint and the identity of the persons involved, subject to the need to conduct a full and impartial investigation, remedy any violations of the corporate policies, or monitor compliance with or administer the corporate policies.

## **RECORDS**

The Audit Committee shall retain all records relating to any complaint and the investigation of any such complaint for such period of time that may be legally required or otherwise judged to be appropriate based upon the merits of the submission. The types of records to be retained by the Audit Committee shall include records of all steps taken in connection with the investigation and the results of any such investigation. All reasonable efforts should be made to ensure the record keeping meets the confidentiality commitments stipulated in this policy.

## **COMMUNICATION OF THE POLICY**

This Policy will be posted on the Corporation's website at [www.cec corp.ca/corporate-profile/governance/](http://www.cec corp.ca/corporate-profile/governance/).

Each employee, officer and director of Critical Elements will be required to provide certification that they have read, understood and will comply with the Policy and will be informed whenever significant changes are made.

## **QUERIES**

If you have any questions about how this Policy should be followed in a particular case, please contact the Corporation's Chief Financial Officer.

Board of Directors Approval Date: June 14, 2021

Next review: June 14, 2022