

LOOP ENERGY INC.
CONFIDENTIAL INFORMATION AND TRADING IN SECURITIES POLICY

1.0 Purpose

As a commercial enterprise, Loop Energy Inc. (“**Loop**” or the “**Company**”) either develops information or comes into possession of information that is commercially valuable, sensitive or is confidential. It is therefore necessary for the Company to take steps to ensure that its directors, officers and employees understand that such information is to be treated confidentially.

Also, since Loop is a public company whose securities trade on public stock markets, it is illegal for directors, officers and employees to Trade Loop Securities if they are aware of information relating to Loop's business which is “material” and which has not yet been disclosed to the public. This policy informs directors, officers and employees how to treat confidential information and advises insiders how they may Trade in Loop Securities.

2.0 Scope

This Policy extends to all officers and employees of the Company, its Board of Directors, those authorized to speak on its behalf and all other people with access to undisclosed “Material Information” (defined below).

3.0 Definitions

In this policy:

“**Loop Securities**” means the securities of Loop Energy Inc. and includes common shares, bonds, stock appreciation rights and options.

“**Insiders**” is defined in section 5.3.

“**Loop Representatives**” is defined in section 5.0.

“**Material Information**” is defined in section 5.1.2.

“**Reporting Insiders**” has the meaning set out in subsection 5.5.3.

“**Trade**” or “**Trading**” means buying or selling Loop Securities that you own directly, indirectly or which you have control or direction over, as well as any other transaction involving Loop Securities which may include, but not be limited to, transferring Loop Securities to someone else’s name, or gifting Loop Securities to a charity.

4.0 Responsibility

The Corporate Secretary is responsible for overseeing compliance with and updating this Policy.

5.0 Requirements

Directors, officers and employees of Loop (“**Loop Representatives**”) may have access to confidential or commercially valuable information about Loop or its business activities. For example, they may have knowledge of:

- pending significant changes in the operations of Loop;
- information pertaining to the financial results of Loop; or
- strategic information relating to major customer contracts, proposed major capital expenditures or the negotiation or re-negotiation of other material contracts of Loop.

5.1 Duty to Maintain Confidentiality and Avoid Selective Disclosure of “Material Information”

All Loop Representatives have a duty to maintain all technology, trade secrets and sensitive commercial information about Loop and its customers and suppliers which is not generally known to the public (“**Confidential Information**”) in strict confidence for the benefit of Loop. All Loop employees shall agree in writing to maintain the confidentiality of such Confidentiality Information when they commence employment with the Company (“Employee Confidentiality Agreement”).

5.1.1 Non- Disclosure Obligations. Loop Representatives must not disclose to others any Confidential Information unless it is necessary to do so in the course of carrying out their employment duties in connection with Loop's business. It is important to have confidentiality agreements in place with third parties before disclosing Confidential Information to such third parties. Therefore, before disclosing any Confidential Information to any third parties, Loop Representatives should check with the Corporate Secretary to determine whether there is an appropriate Confidentiality Agreement in place. Loop Representatives may not use Confidential Information for their own profit. Even after employees have left the employment of Loop, they must not disclose any such Confidential Information to others as provided in the Employee Confidentiality Agreement.

5.1.2 Avoid Selective Disclosure of Material Information. It is illegal to disclose to anyone inside or outside the Company any **Material Information** about Loop that has not been disclosed publicly. This is called “selective disclosure” and is prohibited under securities law because all investors should have equal and timely access to Material Information about the Company. “**Material Information**” includes facts relating to, or changes in, the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of **Loop Securities** (defined in section 3 above). In other words, Material Information is information that a reasonable investor would consider to be important in reaching an investment decision. Some examples of Material Information include:

- i. major purchases or sales of property or assets by Loop;
- ii. the signing of important customer or supplier or other contracts involving Loop or the loss of such important contracts;
- iii. financings through the sale of additional securities or the borrowing of a significant amount of funds; and
- iv. developments specific to Loop likely to result in significant increases or decreases in near-term earnings prospects.

The only exception to this rule is that material non-public information may be provided to another person “in the necessary course of business”. Such circumstances would include disclosure of Material Information to Loop's bankers, auditors, lawyers and other persons having a business relationship with Loop where it is necessary to make such disclosure. Loop Representatives should make it clear to these persons that the information has not been publicly disclosed and should ensure that these persons (other than professionals who already owe duties of confidentiality) sign a confidentiality agreement prior to disclosing any Material Information to them.

- 5.1.3 If any Loop Representative improperly discloses Confidential Information about Loop, that person may be held liable for any damages to Loop or others that results from such breach of confidence. Such representative may also be subject to fines or, in certain cases, imprisonment.
- 5.1.4 Loop Representatives must not copy or reproduce any Confidential Information relating to Loop unless specifically required to do so as part of their employment duties.
- 5.1.5 If a Loop employee must take Confidential Information out of the office for necessary business purposes, it should be retained in the employee's possession at all times and reasonable efforts taken to ensure its confidentiality.

5.2 Restrictions on Trading of Loop Securities

All Loop Representatives are subject to legal restrictions with respect to **Trading** (defined in section 3 above) in Loop Securities. It is illegal for Loop Representatives to Trade such securities with knowledge of Material Information (defined in section 3 above) relating to or affecting Loop's business or affairs which has not been disclosed to the public (herein referred to as “**Material Non-Public Information**”). It is also an offence for Loop Representatives to inform other parties of Material Non-Public Information with respect to the Company, other than in the necessary course of business and provided that such other parties are subject to confidentiality restrictions. Such Loop Representatives are considered “**Insiders**” (see definition in section 5.3 below).

Where an Insider is in possession of Material Non-Public Information, the Insider may not Trade Loop Securities until after one full trading day has been completed following the date of the news release in which such Material Non-Public Information is disclosed to the public. [For example, if such news release goes out after stock market closes on Tuesday March 3rd or before stock market opens on Wednesday, March 4th, Insiders may not trade until after close of business on Wednesday March 4th – which effectively means that they can't trade until Thursday March 5th when markets open.]

5.3 Insider Definition

Under Canadian securities law, Insiders are persons in a special relationship with the Company and for the purposes of this Policy, “**Insiders**” shall include:

- i. any director, officer, financial controller, treasurer of the Company or an individual performing such a function; and
- ii. any director or officer of a subsidiary of the Company;
- iii. any employee at any level of the Company who is aware of Material Non-Public Information;
- iv. any person or company who beneficially owns or controls more than 10% of the voting shares of the Company and every director or senior officer thereof;
- v. a person or company that is proposing to make a takeover bid or acquire a

substantial portion of the Company's voting shares, to become a party to a reorganization, amalgamation, merger, arrangement, or other business combination with the Company, and every director, officer or employee thereof; and

vi. a person or company that learns of Material Non-Public Information with respect to the Company (a "tippee") from any other person or company in a "special relationship" with the Company (a "tipper") where the tippee knows or ought reasonably to have known that the tipper is in a special relationship with the Company.

5.3.1 An "Insider" may also be a "**Reporting Insider**" having the obligation to publicly report Trading in Loop Securities. **Refer to section 5.5 for more information.**

5.3.2 Before any Insider Trades in Loop Securities, the Insider must always consider each facet of Loop's business and affairs, asking whether there are any developments of significance, whether they constitute Material Information and whether the information has been publicly disclosed.

5.3.3 INSIDERS WHO INTEND TO TRADE IN LOOP SECURITIES (INCLUDING THE EXERCISE OF ANY OPTIONS OR WARRANTS OF THE COMPANY) MUST PROVIDE NOTICE OF THEIR INTENTION TO TRADE AT LEAST 2 BUSINESS DAYS IN ADVANCE OF THE PROPOSED TRADING ACTIVITY TO THE CORPORATE SECRETARY WHO SHALL DISCUSS WITH THE INSIDER WHETHER THE INSIDER IS IN POSSESSION OF ANY MATERIAL NON-PUBLIC INFORMATION PRIOR TO THE TRADING TAKING PLACE.

5.3.4 Insiders are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of Loop Securities granted as compensation or held, directly or indirectly, by the Insider. Furthermore, Insiders are prohibited from short selling Loop Securities, Trading put or call options on Loop Securities, using Loop Securities as equity in margin accounts, or entering into equity monetization arrangements involving Loop Securities.

5.4 Trading Blackout Periods

5.4.1 Regular Quarterly Blackout Period. All Insiders are prohibited from Trading in Loop Securities during the Regular Quarterly Blackout Period. In addition, employees identified by the Chief Financial Officer as having access to material undisclosed financial information as a result of being involved in the preparation of the Company's quarterly and/or annual financial results, including, without limitation, the Director of Finance and the Financial Controller, are prohibited from Trading in Loop Securities during the Regular Quarterly Blackout Period. The "**Regular Quarterly Blackout Period**" commences on 10th trading day prior to the planned announcement date of quarterly financial results to the public. *[For example, if a news release is planned to be issued with the quarterly financial results on Wednesday March 23rd, the blackout period commences on Wednesday, March 9.]* The Regular Quarterly Blackout period shall end after one full trading day has been completed following the date of the news release announcing the quarterly financial results to the public. *[For example, if such news release goes out either after the stock market closes on Wednesday, March 23rd or before market open on Thursday March 24th, Insiders may not trade until after market close on Thursday March 24th – which effectively means that they can't trade until markets open on Friday, March 25th.]*

5.4.2 Unscheduled Blackout Periods. Other unscheduled Blackout Periods where Trading in Loop Securities by Insiders and other employees is prohibited (“**Unscheduled Blackout Period**”) may be prescribed from time to time and without explanation in special circumstances. Insiders and other employees subject to an Unscheduled Blackout Period will be advised of the commencement and termination of the period by e-mail from the Corporate Secretary or the Chief Financial Officer. During such period, Insiders and affected employees are prohibited from disclosing to anyone – whether internally or externally – that a Blackout Trading period is in effect or their belief as to what forms the basis of the Blackout Trading period.

5.4.3 **Insiders and any employees subject to any Blackout Period who have placed with their brokers a buy or sell order which may get executed during a Blackout Period shall retract those orders as soon as possible.**

5.5 Reporting Insiders

5.5.1 “**Reporting Insiders**” (see 5.5.3 below for definition) are Insiders who have the obligation to publicly report their Trading in Loop Securities in accordance with applicable securities regulations in addition to complying with the other requirements of this section 5. **INSIDER REPORTS MUST BE FILED WITH SECURITIES AUTHORITIES WITHIN 5 CALENDAR DAYS FROM THE DATE THAT LOOP SECURITIES WERE TRADED (NOT THE SETTLEMENT DATE).** The Legal Department files electronic insider reports on behalf of each Reporting Insider. Consequently, each Reporting Insider must advise the Corporate Secretary immediately upon making any Trade involving Loop Securities.

5.5.2 **FAILURE TO TIMELY FILE AN INSIDER REPORT MAY RESULT IN A FINE PAYABLE BY THE INSIDER.**

5.5.3 Based on the securities law definition of “**Reporting Insiders**”, all officers and directors of the Company are Reporting Insiders. In addition, other employees may become Reporting Insiders. The Legal Department determines annually which of the Company’s Insiders are “Reporting Insiders” and will advise such persons of their status as a Reporting Insider. Persons who become a director or officer of a Loop subsidiary should advise the Legal Department of that fact as soon as possible in order for it to be determined if the person is also a Reporting Insider. The Legal Department will also communicate with a person upon the Legal Department learning that the person has become a director or officer of a Loop subsidiary.

5.6 Breach of this Policy

Violations of this Policy can be violations of laws that carry substantial penalties, including fines, orders to return profits, and incarceration, and they can result in acute embarrassment to the Company. If the Company discovers that an Insider has breached securities laws, it may refer the matter to the appropriate regulatory authorities. If the Insider is an employee, disciplinary action may be brought against the employee, which could result in termination of employment.

6.0 References

This policy should be read in conjunction with the Company's following policies:

- Code of Business Conduct and Ethics Policy
- Corporate Disclosure Policy