

LETHO RESOURCES CORP. INSIDER TRADING POLICY

Introduction

Letho Resources Corp. (the "Company") has formulated this Insider Trading Policy (this "Policy") to assist the Company and its employees, directors and officers in complying with applicable statutory and regulatory securities requirements. The purpose of this Policy is to promote compliance with these requirements by establishing procedures and policies for trading in securities of the Company by employees, directors and officers of the Company and its subsidiaries.

Policy on Trading in Securities of the Company

1. Prohibition on Trading with Undisclosed Material Information

This Policy applies to employees, officers and directors of the Company and its subsidiaries (collectively, "Insiders"). It should be noted this Policy extends not only to securities which Insiders own but also to those over which Insiders exercise direction or control (for example, as a trustee or executor of an estate) and also to securities that Insiders indirectly own (for example, by a company controlled by the Insider). Accordingly, this Policy applies to any entities that an Insider influences or controls, including any corporations, partnerships or trusts. This Policy also applies to Insiders' family members who reside with the Insider, anyone else who lives in an Insider's household and family members who do not live in an Insider's household but whose securities transactions are directed by the Insider or are subject to the Insider's influence or control. Insiders may be responsible for the transactions of these persons and, therefore, Insiders should make them aware of the need to confer with the Insider before they trade in the Company's securities. Except as otherwise specified in this Policy under the headings "Stock Options," "Restricted Stock Awards," and "Transactions Not Involving a Purchase or Sale," Insiders may not buy or sell securities of the Company (which includes shares, options, puts and calls or other derivative securities relating to the Company's securities), directly or indirectly, while in possession of material information which has not been publicly disclosed. The appropriate officer with executive responsibility for a project must advise each employee who may have access to material information that they must not trade in the Company's securities until public disclosure of the material information has been made. Insiders may not pass material non-public information on to others or recommend to anyone the purchase or sale of any securities when the Insider is aware of such information. This practice, known as "tipping," also violates the securities laws and can result in the same civil and criminal penalties that apply to insider trading, even though the Insider did not trade and did not gain any benefit from another's trading.

Each Insider is responsible for making sure that he or she complies with this Policy, and that any family member, household member or entity whose transactions are subject to this Policy also comply with this Policy. In all cases, the responsibility for determining whether

an Insider is in possession of material non-public information rests with that Insider, and any action on the part of the Company, the CEO or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws.

Stock Options. This Policy's trading restrictions generally do not apply to the exercise of a stock option, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. The trading restrictions do apply, however, to any sale of stock as part of a broker-assisted "cashless" exercise of an option, or any other sale of the Company's stock for the purpose of generating the cash needed to pay the exercise price of an option.

Restricted Stock Unit Awards. This Policy does not apply to the vesting of restricted stock units, or the exercise of a tax withholding right pursuant to which an Insider elects to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock units. The Policy does apply, however, to any market sale of restricted stock.

Transactions Not Involving a Purchase or Sale. *Bona fide* gifts are not transactions subject to this Policy, unless the person making the gift has reason to believe that the recipient intends to sell the Company securities while the Insider is aware of material non-public information, or the person making the gift is subject to the trading restrictions specified in this Policy and the sales by the recipient of the Company securities occur during a blackout period. Further, transactions in mutual funds that are invested in Company securities are not transactions subject to this Policy.

Additional Prohibited Transactions. The Company considers it improper and inappropriate for any Insider to engage in short-term or speculative transactions in the Company's securities. It is therefore the Company's policy that Insiders may not engage in any of the following transactions:

Short Sales. Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy.

Standing Orders. Standing orders placed with a broker to sell or purchase stock at a specified price leaves an Insider with no control over the timing of the transaction. A standing order executed by the broker when the Insider is aware of material non-public information could result in unlawful insider trading. Accordingly, standing orders are prohibited by this Policy.

Publicly Traded Options. A transaction in puts, calls or other derivative securities is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that the Insider is trading based on inside information. Transactions in options also may focus the Insider's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy.

Hedging Transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an Insider to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the Insider to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the Insider may no longer have the same objectives as the Company's other shareholders. Therefore, the Company prohibits Insiders from engaging in such transactions.

Margin Accounts and Pledges. Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the Insider pledger is aware of material non-public information or otherwise is not permitted to trade in Company securities, Insiders are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan. An exception to this prohibition may be granted where an Insider wishes to pledge Company securities as collateral for a loan (not including margin debt) and clearly demonstrates the financial capacity to repay the loan without resort to pledged securities. Any Insider who wishes to pledge Company securities as collateral for a loan must submit a request for approval to the Vice President-Legal at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.

2. When Public Disclosure Has Been Made

Under securities laws, trading may not commence until public disclosure has been made by the Company and the market has had a period to "absorb" such information. Furthermore, it should be noted that trading is not made permissible by the fact that rumors exist in the marketplace or in the media; the disclosure must be made by the Company before trading can commence. It is the policy of the Company that information is considered non-public until 7:00 a.m. (Pacific Time) on the second (2nd) full trading day following the release by the Company of the material information to the marketplace (such as by a press release or a System for Electronic Document Analysis and Retrieval ("SEDAR") filing).

3. Black-out Periods

Employees, directors and officers are precluded from trading in the securities of the Company during black-out periods. The black-out period will begin on the last day of each quarter until 7:00 a.m. (Pacific Time) on the second (2nd) full trading day following the release of the Company's earnings for that quarter. —In addition, black-out periods may be imposed by management on notice to employees, directors and officers when developments warrant such trading restrictions.

The black-out periods do not apply to those transactions to which this Policy does not apply, as described above under the headings "Stock Options," "Restricted Stock Awards" and "Transactions Not Involving a Purchase or Sale."

4. Trading In Securities of Other Companies

If Insiders in the course of performing their duties become aware of material non-public information about another public company, they may not trade in securities of that other public company until the material information has been publicly disclosed.

5. Post-Termination Transactions

This Policy continues to apply to transactions in Company securities even after an Insider has terminated employment. If an Insider is in possession of material non- public information when his/her employment terminates, the Insider may not trade in Company securities until that information is public or is no longer deemed material.

6. Contact Person

Any employee having any questions with respect to this Policy or whether material information exists which has not been disclosed or whether or not they may trade in a given circumstance should contact the Company's CEO at phone number (604) 999-5444. However, the ultimate responsibility for adhering to this Policy and avoiding improper transactions rests with the Insider.

7. Administration of the Policy

The Corporate Secretary of the Company shall be responsible for administration of this Policy. All determinations and interpretations by the Corporate Secretary of the Company and the Company's General Counsel shall be final and not subject to further review.

Policy on Reporting by Insider of Trading

1. Compliance with Reporting Obligation.

All executive officers and directors of the Company are required to file reports of their trades in securities of the Company with the System for Electronic Disclosure

("SEDI"). Reporting Filers are required to file their insider reports on SEDI within five calendar days of a trade unless an exemption is available. Initial insider reports are subject to a 10 calendar day filing deadline. Although the Corporate Secretary will assist Filers in preparing and filing the required reports, the Filers retain responsibility for the reports. All trades in securities of the Company by Filers must be pre-cleared by the Company's Corporate Secretary or General Counsel.

2. Copies to Company.

All Filers shall maintain and update their reports in accordance with applicable securities laws and provide copies of all such reports to the Corporate Secretary of the Company.

Pre-Clearance Procedures for Insider Filers

Pre-Clearance Procedures. Insider Filers and the other persons designated by the Corporate Secretary as being subject to these procedures, as well as the family members and controlled entities of such Insider Filers and other persons may not engage in any transaction in Company securities without first obtaining pre-clearance of the transaction from the Corporate Secretary or General Counsel. A request for pre-clearance should be submitted to the Corporate Secretary at least two business days in advance of the proposed transaction. The Corporate Secretary is under no obligation to approve a transaction submitted for pre-clearance, and may determine not to permit the transaction. If a person seeks pre-clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company securities, and should not inform any other person of the restriction.

When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any material non-public information about the Company, and should describe fully those circumstances to the Corporate Secretary or General Counsel.

Enforcement of Policies

1. Penalties under Securities Laws

Violations of these policies may be a violation of securities laws and in addition may result in embarrassment or loss to the Company. Potential penalties for insider trading violations include imprisonment and civil and criminal fines. The Company (as well as possible supervisory personnel) that fail to take appropriate steps to prevent illegal trading could face civil and criminal fines. If the Company discovers that an employee has violated securities laws, it may refer the matter to the appropriate regulatory authorities.

2. Termination of Employment.

Employees who breach this Policy are subject to disciplinary action including termination of employment.

Approved by the Board of Directors of the Company as of October 6, 2014