

## Whistle Blower Policy

Bri-Chem Corp. and its subsidiaries ("Bri-Chem" or the "Corporation") Code of Business Conduct and Ethics (the "Code") requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. This policy provides procedures for the receipt of complaints and concerns of employees of the Corporation regarding accounting and auditing matters relating to the Corporation, and violations of the Code of Business Conduct and Ethics of the Corporation, and of any applicable law, rule or regulation.

### Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

### Reportable Activities

1. All directors, officers and employees should report any evidence of activity ("Reportable Activity") by any Corporation officer, director, employee or retained consultant (including external auditors), that to his or her knowledge constitutes:
  - i. Accounting, auditing, or other financial reporting fraud or misrepresentation, including those regarding the circumvention or attempted circumvention of internal accounting controls or that would otherwise constitute a violation of the accounting policies of the Corporation and violations of the Code of Business Conduct and Ethics of the Corporation (an "Accounting or Code Allegation");
  - ii. Violations of security, federal or provincial, environmental and employment and labour laws, and any law in respect of fraud or the commission or possible commission of a criminal offence (a "Legal Allegation");
  - iii. Retaliation against employees of the Corporation who make Accounting or Code Allegations or Legal Allegations (a "Retaliatory Act").
  
2. In the discretion of the Audit Committee, the responsibilities of the Audit Committee created by these procedures may be delegated to the chairman of the Audit Committee. Where the chairman of the Audit Committee is delegated, the obligation to receive and investigate complaints and concerns pursuant to this Policy, he or she shall provide a report to the Audit Committee at each Audit Committee meeting. Such report shall consist of a summary of

complaints and concerns received and investigated since the last Audit Committee meeting, including the disposition of any complaints and concerns investigated.

## Reporting Violations

The Code addresses the Corporation's open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor, or you are not satisfied with your supervisor's response, you are encouraged to speak with the Chief Executive Officer or Chief Financial Officer, or anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to the Corporation's Chair of Audit Committee, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or complaints regarding corporate accounting practices, internal controls or auditing, or when you are not satisfied or are uncomfortable with following the Corporation's open door policy, individuals should contact the Corporation's Chair of Audit Committee directly.

1. Any person acting in good faith and with reasonable grounds for suspecting improper activities in connection with an Accounting or Code Allegation, Legal Allegation, or a Retaliatory Act may make a Report of such activities. Knowledge or suspicion of improper activities may originate from employees in day-to-day work or in dealing with internal or external auditors, law enforcement officials, regulatory agencies, customers, or other third parties. Employees should convey any questions, concerns, suggestions or complaints they have to someone who can address them properly. Often, an individual's manager is in the best position to address a particular concern. However, an employee may also report matters according to the procedures set out in this Policy.
2. Reports are encouraged to be made in writing, so as to assure a clear understanding of the issues raised, but may be made orally or via email. Reports should be factual in nature and contain as much specific information as possible to allow for proper assessment and investigation of the allegations reported, and may be made openly, confidentially, or anonymously to the chairman of the Audit Committee as follows:

Name: Eric Sauze  
2125 64 Avenue  
Edmonton, AB T6P 1Z4  
Phone: (780) 231-6417  
Fax: (780) 451-4420  
Email: [ejsauze@shaw.ca](mailto:ejsauze@shaw.ca)

As an alternative to the chairman of the Audit Committee, the Corporation may establish an anonymous incident reporting hotline (the "Hotline") maintained by the Corporation through a third party provider through which Reports may be made. If an employee would like to discuss any matter with the Audit Committee, he or she should communicate this in the Report and

provide a telephone number at which he or she might be contacted, if the Audit Committee deems it appropriate. Reports are encouraged to be made in writing so as to assure a clear understanding of the issues raised.

3. Any Report that is made through the chairman of the Audit Committee, or directly to any member of management, or through the Hotline, if applicable, whether openly, confidentially, or anonymously, shall be recorded and promptly referred to the Audit Committee.
4. For the purpose of determining whether a Report warrants further investigation or review, each Report referred to the Audit Committee, and each Report made directly to the Audit Committee, whether openly, confidentially, or anonymously, shall be reviewed by the Audit Committee, who may, in its discretion, consult with any director, officer, or employee of the Corporation who is not the subject of the allegation and who may have appropriate knowledge to assist the Audit Committee.

## Investigation of Complaints

If the Audit Committee determines that further review or investigation is warranted in respect of a Report, the Audit Committee shall decide whether it will be the responsibility of the Audit Committee or of management to investigate the Report, taking into account the considerations set forth in the section below.

1. If the Audit Committee determines that management will investigate the Report, the Audit Committee will notify the Chief Executive Officer of the Corporation in writing of that determination. Management shall thereafter promptly investigate the Report and shall report the results of its investigation, in writing, to the Audit Committee. Management shall be free, in its discretion, to engage outside auditors, counsel, or other experts to assist in the investigation.
2. If the Audit Committee determines that it will investigate the Report, the Audit Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Audit Committee shall be free, in its discretion, to engage outside auditors, counsel or other experts to assist in the investigation.

### Considerations Relative to Whether the Audit Committee or Management Should Investigate a Report

In determining whether it will be the responsibility of the Audit Committee or of management to investigate the Report, the Audit Committee shall consider, among any other factors that are appropriate under the circumstances, the following:

1. Who is the alleged wrongdoer? If the Chief Executive Officer or Chief Financial Officer of the Corporation is alleged to have engaged in wrongdoing, that factor alone may support a decision by the Audit Committee to conduct the investigation.
2. How serious is the alleged wrongdoing? The more serious the alleged wrongdoing, the more appropriate that the Audit Committee should undertake the investigation. If the alleged

wrongdoing would constitute an offence involving the integrity of the financial statements of the Corporation, that factor alone may support a decision by the Audit Committee to conduct the investigation.

3. How credible is the allegation of wrongdoing? The more credible the allegation, the more appropriate that the Audit Committee should undertake the investigation. In assessing credibility, the Audit Committee should consider all facts surrounding the allegation, including, but not limited to, whether similar allegations have been made in the press or by analysts.

#### Providing Details on the Subject Matter of the Complaint

Whether employees or stakeholders identify themselves or not, they should give as much information as possible on the subject matter of the complaint so that the information is sufficient to enable a full investigation. Such information should include details as to where and when the incident(s) occurred, the names and titles of the individual's involved, and as much other relevant detail as the reporting individual can provide.

## No Retaliation

No director, officer, or employee, who in good faith, reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequences. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistle Blower Policy is intended to encourage and enable employees and others to raise serious concerns within the Corporation prior to seeking resolution outside the Corporation.

## Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant, or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

## Retention of Records

All documents related to reporting, investigation and enforcement of and under this Policy, or of the discrimination, retaliation or harassment of an employee that made a report or complaint hereunder, shall be kept in accordance with the Corporation's record retention policy and applicable law.