

EAST WEST PETROLEUM CORP.
(the “Company”)

FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(For the Year Ended March 31, 2017)

General

The following information, dated as of September 27, 2017, is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102.

For the purposes of this Form, a “Named Executive Officer” (a “NEO”) means the following persons:

- (a) the Company’s Chief Executive Officer (“CEO”);
- (b) the Company’s Chief Financial Officer (“CFO”);
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 Statement of Executive Compensation, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended March 31, 2017, the Company had two NEOs, namely: David Sidoo, CEO of the Company and Nick DeMare, CFO.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the completed financial years ended March 31, 2017 and 2016. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities and Instruments*” below.

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
David Sidoo President, CEO and Director	2017	111,500	-	-	-	-	111,500
	2016	144,000	-	-	-	-	144,000
Nick DeMare CFO, Corporate Secretary and Director	2017	40,000	-	-	-	38,230 ⁽³⁾	78,230
	2016	42,000	-	-	-	60,150 ⁽³⁾	102,150

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
Hon. Herb Dhaliwal Director	2017	24,000	-	-	-	-	24,000
	2016	37,500	-	-	-	-	37,500
Ross McElroy ⁽⁴⁾ Director	2017	12,000	-	-	-	-	12,000
	2016	n/a	n/a	n/a	n/a	n/a	n/a
Dylan Sidoo ⁽⁵⁾ Director	2017	-	-	-	-	-	-
	2016	n/a	n/a	n/a	n/a	n/a	n/a
Dr. Marc Bustin ⁽⁴⁾ Former Director	2017	120,000	-	-	-	-	120,000
	2016	284,000	-	-	-	-	284,000

NOTES:

- (1) Financial years ended March 31.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Company.
- (3) Paid to Chase Management Ltd. ("Chase"), a company wholly-owned by Mr. DeMare, for administrative and accounting services provided by Chase personnel, exclusive of Mr. DeMare.
- (4) Mr. Ross McElroy was appointed as director of the Company on November 14, 2016 following the resignation of Dr. Marc Bustin.
- (5) Mr. Dylan Sidoo was appointed as director of the Company on December 30, 2016.

Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company for the financial year ended March 31, 2017, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
David Sidoo	Options	400,000	Nov. 21/16	0.10	0.10	0.14	Nov. 21/21
Nick DeMare	Options	200,000 ⁽¹⁾	Nov. 21/16	0.10	0.10	0.14	Nov. 21/21
Hon. Herb Dhaliwal	Options	65,000	Nov. 21/16	0.10	0.10	0.14	Nov. 21/21
Ross McElroy	Options	200,000	Nov. 21/16	0.10	0.10	0.14	Nov. 21/21
Dylan Sidoo	Options	500,000	Dec. 30/16	0.13	0.13	0.14	Dec. 30/21
Marc Bustin	Options	-	-	-	-	-	-

NOTE:

- (1) Includes 60,000 options granted to Chase.

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Company for the financial year ended March 31, 2017:

Exercise of Compensation Securities							
Name	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 (\$)
David Sidoo	n/a	-	n/a	n/a	n/a	n/a	n/a
Nick DeMare	n/a	-	n/a	n/a	n/a	n/a	n/a
Hon. Herb Dhaliwal	n/a	-	n/a	n/a	n/a	n/a	n/a
Ross McElroy	n/a	-	n/a	n/a	n/a	n/a	n/a
Dylan Sidoo	n/a	-	n/a	n/a	n/a	n/a	n/a
Marc Bustin	n/a	-	n/a	n/a	n/a	n/a	n/a

Stock Option Plans and Other Incentive Plans

The Company has no other incentive plans other than its stock option plan (the “Plan”) whereby the maximum number of common shares that may be reserved for issuance pursuant to the Plan will not exceed 12,408,697 shares, being 15% of the Company’s issued and outstanding share capital (on a non-diluted basis) on June 26, 2013, the date on which the Plan was approved by the shareholders.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, which will be available for review at the Meeting:

- (a) the maximum aggregate number of shares that can be issued pursuant to the exercise of options granted under the Plan is 12,408,697 shares, being 15% of the Company’s issued and outstanding share capital (on a non-diluted basis) on June 26, 2013, the date the Plan was approved by the shareholders;
- (b) stock options granted under the Plan will have an expiry date not to exceed ten years from the date of grant;
- (c) any stock options granted that expire or terminate for any reason without having been exercised will again be available under the Plan;
- (d) stock options will vest as required by the Exchange and as may be determined by the administrator of the Plan, or in the absence of such body, the Board;
- (e) the minimum exercise price of any stock options issued under the Plan will be determined by the Board at the time of grant, subject to the requirements of the Exchange;
- (f) stock options granted will expire 90 days after an optionee ceases to be involved with the Company, or for any options granted to an individual providing investor relations services, 30 days after the optionee ceases to be involved with the Company;
- (g) the Board is authorized to grant stock options to any one person in any 12 month period which could, when exercised, result in the issuance of shares exceeding 5% of the issued and outstanding shares of the Company;
- (h) the Board is authorized to grant to insiders, within a 12 month period, that number of stock options under the Plan exceeding 10% of the Company’s then issued and outstanding share capital;

- (i) the Company cannot grant options to any one consultant in any 12 month period which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding shares of the Company;
- (j) the Company cannot grant options in any 12 month period to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of shares exceeding, in aggregate, 2% of the issued and outstanding shares of the Company and options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vested in any three month period; and
- (k) in connection with the exercise of an Option, as a condition to such exercise the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Option.

The Plan provides that if a change of control, as described therein, occurs, all unvested options shall immediately become vested and may thereon be exercised in whole or in part by the option holder, subject to any required approval by the Exchange.

As at the date of this Form, there are 6,980,000 stock options outstanding under the Plan leaving 5,428,697 common shares available for grant of further options under the Plan.

Employment, Consulting and Management Agreements

No management functions of the Company are, to any substantial degree, performed by a person or company other than the directors or NEOs of the Company.

Oversight and Description of Director and NEO Compensation

Compensation Discussion and Analysis

The Board of Directors (the “**Board**”) compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, a NEO’s compensation is comprised of contractor payments and stock option grants.

The objectives and reasons for this system of compensation are generally to allow the Company to remain competitive compared to its peers in attracting and retaining experienced personnel. The Board, acting on the recommendations of the compensation committee of the Company (the “**Compensation Committee**”) determines and fixes compensation for its directors and officers. All salaries and/or consulting fees are to be set on a basis of a review and comparison of compensation paid to executives at similar companies.

Neither the Board nor the Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with the Company’s compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program, and the Board and the Compensation Committee do not believe that the Company’s compensation program results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. The Board, acting on the recommendations of the Compensation Committee, is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for

success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Compensation Committee takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance, and after conducting its evaluation provides its recommendations to the Board. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

Compensation Governance

The Compensation Committee, on behalf of the Board, monitors compensation for the executive officers of the Company. The Compensation Committee currently consists of two members; namely, Honourable Herb Dhaliwal and Mr. Nick DeMare. Mr. Dhaliwal of the Compensation Committee is considered independent and Mr. DeMare, who is the CFO of the Company, is not independent.

The Compensation Committee is required to meet as many times as it deems necessary, but no less than two times per year. The CEO may not be present during the deliberations or voting of the Compensation Committee. The chairman of the Compensation Committee is responsible for reporting on the proceedings of the Compensation Committee to the full Board.

The following is a summary description of the mandate and responsibilities of the Compensation Committee as it relates to NEO compensation:

- (a) to review and approve corporate goals and objectives relevant to NEO compensation, including the evaluation and performance of the CEO in light of those corporate goals and objectives, and to make recommendations to the Board with respect to NEO compensation levels (including the award of any cash bonuses or share ownership opportunities) based on various factors as the Compensation Committee deems relevant, such the Company's performance and the value of similar awards given to NEOs at comparable companies in past years;
- (b) to consider the implementation of short and long-term incentive plans, including equity- based plans, proposed by management, to make recommendations to the Board with respect to these plans and to annually review such plans after their implementation; and
- (c) to annually review any other benefit plans proposed by management and to make recommendations to the Board with respect to their implementation.

All members of the Compensation Committee have direct experience which is relevant to their responsibilities as Compensation Committee members. All members are or have held senior executive roles within public companies, and therefore have a good understanding of compensation programs. They also have good financial understanding which allows them to assess the costs versus benefits of compensation plans. The members combined experience in the resource sector provides them with the understanding of the Company's success factors and risks, which is very important when determining metrics for measuring success.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, 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 equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Termination And Change Of Control Benefits

During the financial year ended March 31, 2017, the Company did not have any contracts, agreements, plans or arrangements in place with any NEO that provides for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in a NEO's responsibilities.

Pension

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.