

EAST WEST PETROLEUM CORP.
(the “Company”)

FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(For the Year Ended March 31, 2020)

General

The following information, dated as of September 25, 2020, 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) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CFO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

During the financial year ended March 31, 2020, the Company had one NEO, namely: Nick DeMare, CFO and interim CEO of the Company.

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, 2020 and 2019. 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⁾
Nick DeMare Interim CEO, CFO, Corporate Secretary and Director	2020	18,000	-	-	-	37,525 ⁽³⁾	55,525
	2019	36,000	-	-	-	37,750 ⁽³⁾	73,750
Mark T. Brown ⁽⁴⁾ Director	2020	12,000	-	-	-	-	12,000
	2019	n/a	n/a	n/a	n/a	n/a	n/a
Kevin William Haney ⁽⁵⁾ Director	2020	3,500	-	-	-	-	3,500
	2019	n/a	n/a	n/a	n/a	n/a	n/a

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⁾
Ross McElroy ⁽⁶⁾ Former Director	2020	12,000	-	-	-	-	12,000
	2019	6,000	-	-	-	-	6,000
David Sidoo ⁽⁷⁾ Former Director, former President and former CEO	2020	9,000	-	-	-	-	9,000
	2019	72,000	-	-	-	-	72,000
Dylan Sidoo ⁽⁸⁾ Former Director	2020	n/a	n/a	n/a	n/a	n/a	n/a
	2019	6,000	-	-	-	-	6,000

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. Brown was appointed as director on April 3, 2019.
- (5) Mr. Haney was appointed as director on December 12, 2019.
- (6) Mr. Ross McElroy served as director of the Company from November 14, 2016 to August 11, 2020.
- (7) Mr. David Sidoo resigned as President and CEO on March 14, 2019 and ceased to be a director on December 12, 2019.
- (8) Mr. Dylan Sidoo served as director from December 30, 2016 to April 2, 2019.

Stock Options and Other Compensation Securities and Instruments*Compensation Securities of NEOs and Directors*

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, 2020, 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 ⁽¹⁾ (\$)	Expiry Date
Nick DeMare	Options	500,000	Jan 16/20	0.06	0.06	0.03	Jan 16/25
Mark T. Brown	Options	400,000	Apr 24/19	0.10	0.07	0.03	Apr 24/24
	Options	200,000	Jan 16/20	0.06	0.06	0.03	Jan 16/25
Kevin William Haney	Options	400,000	Jan 16/20	0.06	0.06	0.03	Jan 16/25
Ross McElroy	Options	400,000	Apr 24/19	0.10	0.07	0.03	Apr 24/24
	Options	200,000	Jan 16/20	0.06	0.06	0.03	Jan 16/25

NOTE:

- (1) The closing trade price on March 31, 2020, being the last trading day during the Company’s March 31, 2020 year end.

Exercise of Compensation Securities by NEOs and Directors

No compensation securities were exercised by the NEOs and directors of the Company for the financial year ended March 31, 2020.

Stock Option Plans and Other Incentive Plans

The Company has no other incentive plans other than its stock option plan. On February 7, 2019, the Board approved the adoption of a new rolling stock option plan (the “**Plan**”), which allows for the reserve of a maximum of 10% of the issued and outstanding Common Shares of the Company, from time to time, for issuance pursuant to the exercise of options (“**Options**”) granted. In accordance with Policy 4.4 of the TSX Venture Exchange, all rolling stock option plans, such as the Company’s requires shareholder approval on an annual basis. On December 12, 2019 the shareholders of the Company ratified and approved the Plan.

The purpose of the Plan is to allow the Company to grant Options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The grant of Options is intended to align the interests of such persons with that of the Shareholders. The following information is intended to be a brief description of the Plan:

Terms of the Plan

Number of Common Shares Reserved. The Plan provides that, subject to the requirements of any exchange on which the Common Shares are currently listed, the aggregate number of securities reserved for issuance pursuant to the Plan may not exceed 10% of the issued and outstanding Common Shares of the Company at the time of grant of Options (including all Options granted by the Company to date). The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all Options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant. The number of Common Shares which may be reserved in any 12 month period for issuance to any one consultant may not exceed 2% of the issued and outstanding Common Shares and the maximum number of Common Shares which may be reserved in any 12 month period for issuance to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Plan provides that Options granted to any person engaged in investor relations activities will vest in stages over 12 months with no more than ¼ of the Options vesting in any three month period.

Exercise Price. The exercise price of any Options granted under the Plan shall be determined by the Board, but may not be less than the market price of the Common Shares on the exchange, provided the Common Shares are then listed for trading on an exchange, on the date of the grant (less any discount permissible under the current stock exchange rules).

Maximum Term of Options. The Board shall determine the term of Options granted under the Plan at the time of grant but, subject to earlier termination in the event of termination or in the event of death, the term of Options granted under the Plan may not exceed ten years. Options granted pursuant to the Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Termination. Subject to certain exceptions, in the event that a director or officer ceases to hold office, Options granted under the Plan to such director or officer will expire 90 days after such director or officer ceases to hold office. Subject to certain exceptions, in the event that an employee, or consultant ceases to act in that capacity in relation to the Company, Options granted to such employee, consultant or management company employee under the Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company. Options granted to an optionee engaged in investor relations activities on behalf of the Company expire 90 days after such optionee ceases to perform such investor relations activities for the Company. In the event of death of an Option holder, Options granted under the Plan expire one year from the date of death of the Option holder.

Administration. The Plan will be administered by the Board or a special committee of directors, either of which will have full and final authority with respect to the grant of all Options thereunder. Options may be granted under the Plan to such directors, officers, employees or consultants of the Company, as the Board may from time to time designate.

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, Philosophy and Objectives

The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Company's compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all NEO is fair and reasonable. The Board as a whole recommends levels of executive compensation that are competitive, motivating and commensurate with the time spent by executive officers in meeting their obligations. While the Board does not have direct experience related to executive compensation, the Board relies on their experience as officers and directors.

Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Company.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's Option Plan. A description of the significant terms of the Option Plan is found under the heading "*Stock Option Plans and Other Incentive Plans*".

The Company does not determine executive compensation based on the share price performance. Overall the salaries or consulting fees payable to the NEOs, in particular to the Company's CEO, have had a minor upward trend in order to provide competitive levels of compensation necessary to attract and maintain executive talent.

The Board has considered the implications of the risks associated with the Company's compensation practices. The Board acknowledges that the Company, as a junior natural resource company, does not presently generate any revenues, and that all management compensation to date has been derived solely from cash in the Company's treasury, acquired by way of equity financings to date, and the grant of incentive stock options to directors, management, contractors and employees. Salary compensation to the NEOs is provided for under verbal understandings or written consulting agreements with the NEOs or management companies under their control. Upon the occurrence of certain events, the Company's early termination of these contracts may also trigger additional balloon payments, which could adversely impact the Company's working capital.

Option-Based Awards

The Company has no long-term incentive plans other than the Option Plan. The Company's directors, employees, officers and certain consultants are entitled to participate in the Option Plan. The Option Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Option Plan aligns the interests of the NEOs and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

Options are granted by the Board. In monitoring or adjusting the option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder

value, previous option grants and the objectives set for the NEOs and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- parties who are entitled to participate in the Option Plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than the prescribed discount permitted by the Exchange from the market price on the date of grant;
- the date on which each option is granted;
- the vesting period, if any, for each stock option;
- the other material terms and conditions of each stock option grant; and
- any re-pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Option Plan. The Board reviews and approves grants of options on an annual basis and periodically during a financial year.

There is no restriction on NEOs or Directors regarding the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars or units or 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 for the financial year ended March 31, 2020.

No NEO or Director, directly or indirectly, purchased any financial instruments or employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Termination and Change of Control Benefits

During the financial year ended March 31, 2020, 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.