

**BEACN WIZARDRY & MAGIC INC.**

**Form 51-102F6V**

**STATEMENT OF EXECUTIVE COMPENSATION**

The following disclosure sets forth the compensation paid, awarded, granted, given or otherwise provided to each named executive officer and director for the two most recently completed financial years.

"Named Executive Officer" (or "NEO") means each of the following individuals:

- (a) the CEO;
- (b) the CFO;
- (c) the most highly compensated executive officer of the Company, including any of its subsidiaries, or the most highly compensated individual 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 more than \$150,000 for that financial year; and
- (d) each individual who would be a NEO 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.

For the financial year ending December 31, 2024, the Company had the following Named Executive Officers: Craig Fraser, CEO and Daniel Davies, Interim Chief Financial Officer.

**Director and NEO Compensation, Excluding 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, current or former, for the completed financial years ended December 31, 2023 and 2024:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission	Bonus	Committee or Meeting Fees	Value of Prerequisites	Value of All Other Compensation	Total Compensation
<b>Craig Fraser</b> CEO and a Director <sup>(1)</sup>	2024	\$118,000	\$Nil	\$Nil	\$Nil	\$Nil	\$118,000
	2023	\$118,000	\$Nil	\$Nil	\$Nil	\$Nil	\$118,000
<b>Daniel Davies</b> <sup>(2)</sup> President, Chief Technology Officer, Interim CFO and a Director	2024	\$118,000	\$Nil	\$Nil	\$Nil	\$Nil	\$118,000
	2023	\$118,000	\$Nil	\$Nil	\$Nil	\$Nil	\$118,000



(1) **Compensation Securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No director or NEO exercised Compensation Securities during the year ended December 31, 2024.

### **Stock Option Plans and Other Incentive Plan**

The board of directors of the Company (the "**Board**") and the shareholders have approved a 10% "rolling" stock option plan (the "**Stock Option Plan**" or the "**Plan**"). The Stock Option Plan incorporates certain requirements of Exchange Policy 4.4 – *Security Based Compensation ("Policy 4.4")*, which was amended on November 24, 2021.

The purpose of the Plan is to give to Eligible Persons (as defined herein) additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Stock Options, exercisable over periods of up to ten (10) years as determined by the Board, to buy Shares of the Company at a price not less than the Market Price (as defined herein) prevailing on the date the Stock Option is granted less applicable discount, if any, permitted by the policies of the Exchange and approved by the Board. The general terms and conditions of the Stock Option Plan are reflected in the disclosure below.

<b>Key Terms</b>	<b>Summary</b>
<b>Administration</b>	The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Stock Option Plan, to interpret the Stock Option Plan, to prescribe, amend and rescind rules and regulations relating to the Stock Option Plan and to make all other determinations deemed necessary or advisable in respect of the Stock Option Plan. Except as set forth in certain sections of the Stock Option Plan and subject to any required prior Exchange approval, the interpretation and construction of any provision of the Stock Option Plan by the Board shall be final and conclusive. Administration of the Stock Option Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.
<b>Number of Shares</b>	<p>The maximum aggregate number of Shares that are issuable pursuant to security based compensation granted or issued under the Plan and all of the Company's other previously established or proposed security based compensation plans (to which the following limits apply under Exchange policies):</p> <ul style="list-style-type: none"><li>a) to all Optionees as a group (including for greater certainty Insiders (as a group)) shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis at any point in time;</li><li>b) to Insiders (as a group) in any 12-month period shall not exceed 10% of the total number of issued and outstanding Shares on a</li></ul>

Key Terms	Summary
	non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies;
	c) to any one Optionee (including, where permitted under applicable policies of the Exchanges, any companies that are wholly owned by such Optionee) in any 12-month period shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies.
	d) to any one Consultant in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date;
	e) to Investor Relations Service Providers (as a group) in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, and Investor Relations Service Providers shall not be eligible to receive any security based compensation other than Options if the Shares are listed on the TSX Venture Exchange at the time of any issuance or grant; and
	f) to Eligible Charitable Organizations (as a group) shall not exceed 1% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date.
<b>Securities</b>	Each Stock Option entitles the holder thereof to purchase one Share at an exercise price determined by the Board.
<b>Participation</b>	Any directors, officers, Employees, Management Company Employees, Consultants and Eligible Charitable Organizations of the Company and its subsidiaries (collectively "Eligible Persons").
<b>Option Price</b>	The Option Price under each Option shall be not less than the Market Price on the Grant Date less the applicable discount permitted under the policies of the Exchange.
<b>Exercise Period</b>	The exercise period of an Option will be the period from and including the grant date up to 4:00 p.m. Pacific Time on the expiry date that will be determined by the Board at the time of grant (the "Expiry Date"), provided that the Expiry Date of an Option will be no later than the tenth anniversary of the Grant Date of the Option.

Key Terms	Summary
<b>Cessation of Employment</b>	<p data-bbox="527 264 1406 331">If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:</p> <p data-bbox="527 369 854 399">(a) <u>Death or Disability</u></p> <p data-bbox="527 436 1406 693">If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services - 20 - Key Term Summary to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:</p> <ul style="list-style-type: none"><li data-bbox="625 730 1333 760">(i) 365 days after the date of death or disability; and</li><li data-bbox="625 798 919 827">(ii) the Expiry Date;</li></ul> <p data-bbox="527 865 906 894">(b) <u>Termination For Cause</u></p> <p data-bbox="527 932 1406 1264">If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.</p> <p data-bbox="527 1302 1406 1369">(c) <u>Early Retirement, Voluntary Resignation or Termination Other than For Cause</u></p> <p data-bbox="527 1407 1406 1883">If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.</p>

Key Terms	Summary
<b>Acceleration Events</b>	If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer and subject to the approval of the Exchanges with respect to Investor Relations Service Providers, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days notice is required and more than 30 days notice is not required.
<b>Amendments</b>	The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders (or disinterested shareholders, if required), Exchanges or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall - 21 - Key Term Summary in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

### **Employment, Consulting and Management Agreements**

As of the date hereof, the Company does not have any contract, agreement, plan or arrangement, that provides for payments to the NEOs at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a director or NEO's responsibilities.

### **Oversight and Description of Director and NEO Compensation**

The Board is responsible for determining, by way of discussions at Board meetings, the compensation to be paid to the Company's executive officers and directors. In assessing the compensation of its directors and executive officers, including the NEOs, the Company does not have in place any formal objectives, criteria or analysis; however, the performance of each individual is considered along with the Company's ability to pay compensation and its results of operation for the period.

Compensation payable to executive officers and directors will be approved by the full Board, on an annual basis. The Company has not established any specific performance criteria or goals to which total compensation or any significant element of total compensation to be paid to any NEO is dependent. NEOs' performance is reviewed in light of the Company's objectives from time to time and such officers' compensation is also compared to that of executive officers of companies of similar size and stage of development.

Future compensation to be awarded or paid to the Company's directors and/or executive officers, including NEOs, is expected to consist primarily of management fees or salary, stock options and bonuses. In the meantime, payments may be made from time to time to executive officers, including NEOs, or companies they control for the provision of consulting or management services. Such services will be paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers. In addition, it is anticipated that the Board may award bonuses, in its sole discretion, to executive officers, including NEOs, from time to time. Any compensation paid to the Company's NEOs is dependent upon the Company's finances as well as the performance of each of the NEOs.

The Company has a Corporate Governance and Compensation Committee and the members are Kevin Alexander (chair), and Scott Christopher. The Corporate Governance and Compensation Committee did not meet in the financial year ended December 31, 2024.

#### **Pension Disclosure**

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