

Power Group Projects Corp.
(the “Company”)

FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuers

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*. The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial years ended January 31, 2024, and January 31, 2023, and the decision-making process relating to compensation.

Information contained in this Statement of Executive Compensation is as of January 31, 2024 unless indicated otherwise.

Currencies

Unless otherwise indicated herein, references in this Circular to “CAD\$” are to the lawful currency of Canada.

Named Executive Officer

In this section, Named Executive Officer (“**NEO**”) means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as a Chief Executive Officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as a 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 individuals identified in paragraphs (a) and (b) above 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 I 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.

Disclosure in this section sets forth compensation for each of (i) Aleem Nathwani, CEO; and Tara Leray, CFO (together, the “**NEOs**”); (ii) Scott Hayduk; and Eric Boehnke (the “**Directors**”); and (iii) David Kwok (the “**Former CFO**”).

Director and NEO Compensation

Director and NEO Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO and Director, in any capacity, for the financial years ended January 31, 2024, and January 31, 2023:

Table of Compensation Excluding Compensation Securities ¹							
Name and position	Year	Salary, consulting fee, retainer, or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
Aleem Nathwani ² CEO, Chairman & Director	2024	36,000	Nil	Nil	Nil	Nil	36,000
	2023	106,000	Nil	Nil	Nil	Nil	106,000
Tara Leray ³ CFO	2024	1,500	Nil	Nil	Nil	Nil	1,500
	2023	n/a	n/a	n/a	n/a	n/a	n/a
Scott Hayduk ⁴ Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Eric Boehnke ⁵ Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
David Kwok ⁶ Former CFO	2024	60,400	Nil	Nil	Nil	Nil	60,400
	2023	72,000	Nil	Nil	Nil	Nil	72,000

¹ This table does not include any amount paid as reimbursement for expenses. This table includes compensation received by the Named Executive Officers as directors of the Company.

² Aleem Nathwani was appointed as a director and CEO on April 23, 2020.

³ Tara Leray was appointed as CFO on February 1, 2024.

⁴ Scott Hayduk was appointed as a director on May 24, 2022.

⁵ Eric Boehnke was appointed as a director on June 14, 2022.

⁶ David Kwok resigned as a Director & CFO on January 5, 2024.

Stock Options and Other Compensation Securities

No stock options were granted to any of the Named Executive Officers or directors of the Company during the most recently completed financial year of the Company.

None of the Named Executive Officers or directors of the Company exercised any compensation securities during the most recently completed financial year of the Company.

Stock Option Plans and Other Incentive Plans

The Company has in place the Stock Option Plan which was last approved by the shareholders of the Company at the annual general and special meeting of the shareholders held on Thursday, October 19, 2023.

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan. The purpose of the Stock Option Plan is to, among other things, encourage Common Share ownership in the Company by directors, officers, employees and consultants of the Company and its affiliates and other designated persons. Stock options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Company and its subsidiaries and other designated persons as designated from time to time by the Board.

The number of Common Shares which may be reserved for issue under the Stock Option Plan is limited to 10% of the issued and outstanding number of Common Shares as at the date of the grant of stock options. As at the date hereof, 11,956,560 stock options may be reserved for issue pursuant to the Stock Option Plan, 1,275,000 stock options have been issued and 10,681,056 stock options are still available for issue.

Any Common Shares subject to a stock option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Stock Option Plan. The option price of any Common Shares cannot be less than the market price of the Common Shares at the time of grant. Stock options granted under the Stock Option Plan may be exercised during a period not exceeding 10 years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Company or any of its subsidiaries or ceasing to have a designated relationship with the Company, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The stock options are nontransferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the Company's capitalization. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Company in respect of stock options granted under the Stock Option Plan.

The Company has no equity compensation plans other than the Stock Option Plan.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out information with respect to all compensation plans under which equity securities are authorized for issuance as of January 31, 2024:

Equity Compensation Plan Information			
Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by Securityholders	1,500,000	\$0.10	10,456,056 ¹
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	1,500,000	N/A	10,456,056¹

¹ Represents the number of common shares available for issuance under the Stock Option Plan, which reserves a number of common shares for issuance, pursuant to the exercise of stock options, that is equal to 10% of the issued and outstanding common shares as of the most recently completed fiscal year, which was 119,560,560.

Employment, Consulting and Management Agreements

The Company has in place the following employment, consulting or management agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers and directors:

Aleem Nathwani

Pursuant to a consulting agreement between the Company and Nathwani Capital Corp, an entity beneficially owned and controlled by Aleem Nathwani (“**Nathwani**”), effective as of May 1, 2020, Nathwani will provide the services as Chief Executive Officer to the Company for a monthly fee of \$3,000 (the “**Nathwani Agreement**”). The Company may terminate the Nathwani Agreement at any time for just cause. The Company may also terminate the Nathwani Agreement at any time, without cause, provided that the Company provides Nathwani written notice of the Nathwani Agreement.

Oversight and Description of Director and NEO Compensation

Compensation of Directors

The Board, at the recommendation of the Compensation Committee, determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. For their role as directors of the Company, each director of the Company who is not a Named Executive Officer may, from time to time, be awarded stock options under the provisions of the Stock Option Plan. There are no other arrangements under which the directors of the Company who are not Named Executive Officers were compensated by the Company or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors of the Company.

Compensation of Named Executive Officers

Principles of Executive Compensation

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long term value; and
5. connect, if possible, the Company's employees into principles 1 through 4 above.

The Board approves, or recommends for approval, all compensation to be awarded to the directors of the Company and the Named Executive Officers. The Board also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Stock Option Plan. The Board may direct the Compensation Committee and management to gather information on its behalf and provide initial analysis and commentary. The Board reviews this material along with other information received from any external advisors which may be retained in its deliberations before considering or making decisions. The Board has full discretion to adopt or alter management or Compensation Committee recommendations. The Board also reviews and approves the hiring of executive officers.

Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers of the Company is consistent with the administration of salaries for all other employees.

Annual Incentives

The Company is not currently awarding any annual incentives by way of cash bonuses. However, the Company, in its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

Pension Disclosure

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.