



STATEMENT OF EXECUTIVE COMPENSATION

USHA RESOURCES LTD. (the "Company")

(for the financial year ended March 31, 2023)

For the purposes of this Statement of Executive Compensation, a Named Executive Officer ("NEO") of the Company means each of the following individuals:

In this section "NEO" means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

During the financial year ended March 31, 2023, the Company had two NEOs: Deepak Varshney, CEO and Corporate Secretary of the Company, and Khalid Naeem, CFO of the Company.

Compensation Discussion and Analysis

The board of directors (the "Board") of the Company has not yet appointed a Compensation Committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management, with a view to fulfilling its responsibilities concerning executive and director compensation, reviewing director compensation, overseeing the Company's base compensation structure and equity-based compensation programs, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally, all in light of the Company's annual goals and objectives.

The Company intends to formalize its compensation policies and practices and will take into consideration the implications of any risks associated with the Company's compensation program.

Philosophy and Objectives

The compensation program for the Company's senior management is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; and (b) motivating the short and long-term performance of these executives.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's omnibus incentive plan (the "Compensation Plan"). Stock options ("Options") and/or restricted share units ("RSUs") are issued to executives and employees taking into account a number of factors, including the amount and term of Options previously granted and competitive factors. The amounts and terms of Options and RSUs granted are determined by the Board.

Given the evolving nature of the Company's business, the Board will continue to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

On September 12, 2022, the Board adopted its Compensation Plan, being a 10% rolling Option plan and 10% fixed RSU plan whereby a maximum of 3,522,004 common shares are reserved for issuance pursuant to the exercise of RSUs.

The Compensation Plan incorporated amendments required pursuant to TSX Venture Exchange (the “**Exchange**”) Policy 4.4 *Security Based Compensation* which became effective November 24, 2021 (formerly, Policy 4.4 *Incentive Stock Options*). The shareholders of the Company approved the Compensation Plan on December 16, 2022 and the Exchange approved the Compensation Plan on December 19, 2022.

The Compensation Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes Option and/or RSU grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All Option and RSU grants require approval of the Board. The Compensation Plan is administered by the Board.

Summary Compensation Table

Name and Principal Positions	Year ⁽¹⁾	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Deepak Varshney ⁽²⁾ CEO and Corporate Secretary	2023	180,000	N/A	Nil	N/A	N/A	N/A	Nil	180,000
	2022	99,000	N/A	13,987	N/A	N/A	N/A	Nil	99,000
	2021	92,000	N/A	18,392	N/A	N/A	N/A	Nil	110,392
Khalid Naeem ⁽³⁾ CFO	2023	30,000	N/A	Nil	N/A	N/A	N/A	Nil	30,000
	2022	18,500	N/A	Nil	N/A	N/A	N/A	Nil	18,500
	2021	20,000	N/A	Nil	N/A	N/A	N/A	Nil	20,000

- (1) For the financial years ended March 31.
- (2) Mr. Varshney has served as the CEO and Corporate Secretary of the Company since December 6, 2019.
- (3) Mr. Naeem has served as the CFO of the Company since December 6, 2019.
- (4) Mr. Varshney was granted 127,700 Options in the financial year ended March 31, 2021, with a fair value of \$18,392 using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk-free interest rate of 0.36%, a forfeiture rate of nil, and volatility of 96.15%. [Ensure this footnote is noted in the table, if applicable.]
- (5) Mr. Varshney was granted 90,000 Options in the financial year ended March 31, 2022, with a fair value of \$13,987 using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk-free interest rate of 0.99%, a forfeiture rate of nil, and volatility of 107.70%. [Ensure this footnote is noted in the table, if applicable.]

Incentive Plan Awards

Pursuant to the Compensation Plan, the Company may grant up to 10% (rolling) of the issued and outstanding common shares of the Company pursuant to Option grants and up to 3,522,004 (fixed) common shares may be reserved for the issuance of common shares pursuant to the exercise of RSUs.

The following table sets out all Option-based awards outstanding as at the financial year-ended March 31, 2023 for each NEO. There were no share-based awards or RSUs granted to any of the NEOs as at the year-ended March 31, 2023.

Option-based Awards				
Name and Principal Positions	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options (\$) ⁽¹⁾
Deepak Varshney CEO and Corporate Secretary	147,500	0.10	October 12, 2023	33,188
Khalid Naeem CFO	N/A	N/A	N/A	N/A

- (1) This amount is based on the difference between the market value of the securities underlying the Options on March 31, 2023, which was \$0.325, being the last trading day of the Company’s common shares for the financial year and the exercise price of any outstanding Options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested during the financial year-ended March 31, 2023 for Options awarded under the Compensation Plan for the NEO, as well as the value earned under non-equity incentive plans for the same period. There were no outstanding RSUs granted to any NEO as at the year-ended March 31, 2023.

Name	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Deepak Varshney CEO and Corporate Secretary	N/A	N/A	N/A
Khalid Naem CFO	N/A	N/A	N/A

Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer’s employment or from a change of an NEO’s responsibilities following a change in control.

Director Compensation

During the most recently completed financial year-ended March 31, 2023, the directors who were not NEOs received the following compensation for services provided to the Company.

Name	Fees earned (\$)	Share-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Navin Varshney ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil
David Ellett ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil
Leif Smither ⁽³⁾	Nil	Nil	Nil	Nil	Nil	Nil
Adrian Smith ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil

(1) Mr. Varshney has served as a director of the Company since February 26, 2018.

(2) Mr. Ellett has served as a director of the Company since February 26, 2018.

(3) Mr. Smither has served as a director of the Company since August 17, 2018.

(4) Mr. Smith has served as a director of the Company since August 25, 2021.

Outstanding Option-Based Awards

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year-ended March 31, 2023, including awards granted before the most recently completed financial year.

There were no share-based awards or RSUs granted to any of the directors, other than those who are also NEOs of the Company, as at the financial year-ended March 31, 2023.

Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Navin Varshney	147,500	0.10	October 12, 2023	33,188
David Ellett	90,227	0.20	July 5, 2026	11,278

Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Leif Smither	50,000 20,000	0.20 0.20	September 17, 2025 July 5, 2026	6,250 2,500
Adrian Smith	75,000	0.20	July 5, 2026	9,375

- (1) This amount is based on the difference between the market value of the securities underlying the Options on March 31, 2023, which was \$0.325, being the last trading day of the Company's common shares for the financial year and the exercise price of any outstanding Options.

Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year.

The purpose of granting such Options and/or RSUs is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year-ended March 31, 2023:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Navin Varshney	N/A	N/A	N/A
David Ellett	N/A	N/A	N/A
Leif Smither	N/A	N/A	N/A
Adrian Smith	N/A	N/A	N/A

ADDITIONAL INFORMATION

Additional information concerning the Company can be found on SEDAR+ at <https://sedarplus.ca> and on the Company's website at <https://www.usharesources.com/>.

Financial information relating to the Company is provided in the Company's audited financial statements and the management discussion and analysis (the "Financial Materials") for the year ended March 31, 2023. Shareholders may download the Financial Materials from SEDAR+ at <https://sedarplus.ca> or contact the Company directly to request copies of the Financial Materials by mail to Suite 400, 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6. Additional financial information concerning the Company may be obtained by any shareholder free of charge by contacting the Company at 604.737.2303.