

**DEFENSE METALS CORP.**  
(the “**Company**”)

Suite 1020 – 800 West Pender Street, Vancouver, B.C. V6C 2V6

**Form 51-102F6V**

*Statement of Executive Compensation – Venture Issuers  
(for financial year ended March 31, 2024)*

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS**

**GENERAL**

The following information, dated as of September 26, 2024, 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:

“**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;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**NEO**” or “**named executive officer**” 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 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 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 the Form, 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.

**Named Executive Officers and Directors**

During financial year ended March 31, 2024, based on the definition above, the NEOs of the Company were: Craig Taylor, former Chief Executive Officer and a former director, Ryan Cheung, former Chief Financial Officer, former Corporate Secretary and a former director, and Dr. Luisa Moreno, President and a director. The directors of the Company who were not NEO’s during the financial year ended March 31, 2024 were: Dr. William Bird, Andrew Burgess, Leonard Clough, Dale Wallster, Martin Cronin and Ted Kavanagh.

## 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 NEOs and directors of the Company for the financial years ended March 31, 2024 and March 31, 2023. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” in this Form.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Craig Taylor <sup>(1)</sup> , Former CEO and former Director	2024	300,000	Nil	Nil	Nil	Nil	300,000
	2023	300,000	Nil	Nil	Nil	Nil	300,000
Ryan Cheung <sup>(2)</sup> , Former CFO, former Corporate Secretary and former Director	2024	120,000	Nil	Nil	Nil	Nil	120,000
	2023	109,000	Nil	Nil	Nil	Nil	109,000
Dr. Luisa Moreno <sup>(3)</sup> , President, Director	2024	120,000	Nil	Nil	Nil	Nil	120,000
	2023	130,000	Nil	Nil	Nil	Nil	130,000
Dr. William Bird <sup>(4)</sup> , Former Director	2024	48,000	Nil	Nil	Nil	Nil	48,000
	2023	39,500	Nil	Nil	Nil	Nil	39,500
Andrew Burgess <sup>(5)</sup> , Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Leonard Clough <sup>(6)</sup> Former Director	2024	33,000	Nil	Nil	Nil	Nil	33,000
	2023	6,000	Nil	Nil	Nil	Nil	6,000
Dale Wallster <sup>(7)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Martin Cronin <sup>(8)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Ted Kavanagh <sup>(9)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Kris Raffle <sup>(10)</sup> Former Director	2024	Nil	Nil	Nil	Nil	1,231,954	1,231,954
	2023	Nil	Nil	Nil	Nil	1,132,667	1,132,667
Max Sali <sup>(11)</sup> Former Director	2024	75,000	Nil	Nil	Nil	Nil	75,000
	2023	45,000	Nil	Nil	Nil	Nil	45,000

(1) All compensation was awarded to, earned by, paid to, or payable for services as CEO of the Company. Mr. Taylor resigned as CEO and director on August 26, 2024.

(2) All compensation was awarded to, earned by, paid to, or payable for services as CFO of the Company. Mr. Cheung ceased as a director December 15, 2023 and resigned as Corporate Secretary and ceased acting as CFO on July 25, 2024.

(3) Comprised of \$45,000 awarded to, earned by, paid to, or payable for services as President of the Company and \$45,000 awarded to, earned by, paid to, or payable for geological services to the Company in connection with its Wicheeda property.

(4) Dr. Bird was appointed as a director of the Company on January 17, 2022 and resigned on April 3, 2024.

(5) Andrew Burgess was appointed as a director of the Company on January 8, 2019 and resigned on May 31, 2024.

(6) Leonard Clough was appointed as a director of the Company on April 10, 2023 and resigned on August 26, 2024.

(7) Dale Wallster was appointed as a director of the Company on January 11, 2023.

(8) Martin Cronin was appointed as a director of the Company on December 15, 2023.

(9) Ted Kavanagh was appointed as a director of the Company on December 15, 2023.

(10) All compensation was awarded to, earned by, paid to, or payable to Apex Geosciences Ltd., a company of which Kris Raffle is a principal, for geological consulting services and related work provided to the Company. Mr. Raffle ceased as a director of the Company on December 15, 2023.

(11) Max Sali ceased as a director of the Company on December 9, 2022.

## **Stock Options and Other Compensation Securities**

### ***Stock Option Plan (Option-Based Awards)***

The Company has a “rolling” 10% option plan in place (the “Plan”). The number of Common Shares which may be issued pursuant to options granted under the Plan is a maximum of 10% of the issued and outstanding Common Shares, on a non-diluted basis, at the time of the grant. The Plan was approved by the TSX Venture Exchange (the “Exchange”) and by Shareholders at the Company’s last annual general meeting held on December 15, 2023.

The details of the Plan are set forth below. The purpose of the Plan is to provide an incentive to employees, directors, officers, management companies and consultants who provide services to the Company, and to reduce the cash compensation the Company would otherwise have to pay. The Plan will also assist the Company in attracting, retaining and motivating employees, directors, officers, management companies and consultants.

The following summary of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan. A full copy of the Plan is available on written request to the Company.

Eligible Participants. Stock options (“**Options**”) may be granted under the Plan to directors and senior officers of the Company or its subsidiaries, management company employees (collectively, the “**Directors**”), employees of the Company or its subsidiaries (collectively, the “**Employees**”) or consultants of the Company or its subsidiaries (collectively, the “**Consultants**”). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded Options under the Plan.

Number of Shares Reserved. The number of Common Shares which may be issued pursuant to Options granted under the Plan may not exceed 10% of the issued and outstanding Common Shares at the date of granting of Options.

Limitations. Under the Plan, the aggregate number of Common Shares issuable to insiders of the Company (as a group) pursuant to all Security Based Compensation (as that term is defined in the Exchange policy manual) must not exceed 10% of the issued and outstanding Common Shares. The aggregate number of Common Shares that may be issuable to insiders of the Company (as a group) pursuant to all Security Based Compensation granted or issued within any 12-month period must not exceed 10% of the issued and outstanding Common Shares. The aggregate number of Options granted to any one person (including companies wholly- owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date the Option is granted, together with all of the Company’s other grants or issuances of Security Based Compensation. The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the date the Option is granted, together with all of the Company’s other grants or issuances of Security Based Compensation. The aggregate number of Options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Common Shares in any 12-month period, calculated at the date an Option is granted to any such person. Exchange and disinterested Shareholder approvals are required in accordance with the Exchange policies if any of these limitations are exceeded (at any time). Investor Relations Service Providers (as that term is defined in the Exchange policy manual) may not receive any Security Based Compensation other than Options.

Exercise Price. The exercise price of Options granted under the Plan is determined by the Board, provided that it is not less than the Discounted Market Price, as that term is defined in the Exchange policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to insiders may not be decreased without disinterested Shareholder approval at the time of the proposed amendment.

**Term of Options.** Subject to the termination and change of control provisions noted below, the term of any Options granted under the Plan is determined by the Board and may not exceed ten years from the date of grant.

**Vesting.** All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide Investor Relations Activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three-month period.

**Hold Period.** In addition to any resale restrictions under securities laws, and any other circumstance for which the Exchange hold period may apply, where Options are granted to insiders of the Company, Consultants or where the exercise price includes a discount as permitted by the Exchange, the Options and any Common Shares issued on the exercise of such Options must be legended with a four month Exchange hold period commencing on the date the Options are granted.

**Termination.** An Option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the optionee ceases to be eligible under the Plan by reason of death, retirement or otherwise. If an optionee ceases to be eligible under the Plan by reason of being dismissed for cause from any such position, all unexercised Option rights will be immediately terminated. If an optionee ceases to be eligible under the Plan by any reason other than termination for cause or as a result of death, the optionee will have a right for a period of the earlier of: (a) 90 days from the date of the optionee ceasing to be eligible and (b) the normal expiry date of the Options, to exercise the Options under the Plan, with all unexercised Options terminating immediately upon expiration of such period. If an optionee engaged in providing Investor Relations Activities, as that term is defined in the Exchange policy manual, to the Company ceases to be employed in providing such Investor Relations Activities, such optionee shall have the right for a period of 30 days (or until the normal expiry date of the Option rights of such optionee if earlier) from the date of ceasing to provide such Investor Relations Activities to exercise the Option under the Plan with respect to all optioned Common Shares of such optionee to the extent they were exercisable on the date of ceasing to provide such Investor Relations Activities. Upon the expiration of such 30-day period all unexercised Option rights of that optionee shall immediately become terminated and shall lapse notwithstanding the original term of the Option granted to such optionee under the Plan.

There are 23,525,000 Options outstanding under the Plan as at the date of this Form.

### Outstanding Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO of the Company and to a director who was not an NEO of the Company, or a subsidiary of the Company, in the most recently completed financial year ended March 31, 2024 for services provided or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#)	Date of Grant or Issue (mm/dd/yy)	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 (mm/dd/yy)
Craig Taylor, Former CEO and former Director	Options	800,000 3.42%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Ryan Cheung, Former CFO, former	Options	400,000	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#)	Date of Grant or Issue (mm/dd/yy)	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 (mm/dd/yy)
Corporate Secretary and former Director		1.71%					
Dr. Luisa Moreno, President, Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Dale Wallster, Director	Options	600,000 2.57%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Martin Cronin, Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Ted Kavanagh, Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Dr. William Bird, Former Director	Options	200,000 <1%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Andrew Burgess, Former Director	Options	200,000 <1%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Leonard Clough, Former Director	Options	200,000 <1%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Kris Raffle Former Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26

### Exercise of Compensation Securities by NEOs and Directors

There were no compensation securities exercised by any of the NEOs or directors of the Company during the financial year ended March 31, 2024.

### Employment, Consulting and Management Agreements

#### *Executive Consulting Agreement with CEO Craig Taylor and 576112 B.C. Ltd.*

576112 B.C. Ltd. (a company owned and controlled by Craig Taylor) entered into a consulting agreement with the Company dated as of July 1, 2021, (the “**CEO Agreement**”). Pursuant to the CEO Agreement, Mr. Taylor agreed to provide his services as Chief Executive Officer at a base remuneration of \$25,000 per month. Additional remuneration or compensation (whether a bonus or other form of additional remuneration, including Options, equity or other compensation) rested in the sole discretion of the Company. The term of the CEO Agreement continued until terminated in accordance with termination provisions therein. The Company had the right to terminate the CEO Agreement at any time, for material breach of any of the terms and conditions of the CEO Agreement (a “material breach” included, but was not limited to, the failure or refusal of Mr. Taylor to perform the services required at an acceptable level or standard, provided that he has been provided written notice of such failure and has not corrected his behaviour within 20 days of receiving such notice and provided further that he shall only be entitled to correct his behaviour pursuant to the notification on a one-time basis). If Mr. Taylor was prevented by reason of illness, or mental or physical disability or incapacity from carrying out services for 365 consecutive days or more than 182 days in aggregate, the Company had the right to terminate the CEO Agreement by providing notice in writing, and the CEO Agreement automatically terminates, without notice or payment in

lieu thereof, upon death, any material dishonesty on part of Mr. Taylor affecting the Company, conviction of Mr. Taylor for an indictable offence or for any crime involving fraud or misrepresentation, a material conflict of interest as described in the CEO Agreement, wilful and intentional act on the part of Mr. Taylor (as described in the CEO Agreement) and any other cause or reason which would entitle the Company to terminate Mr. Taylor's engagement without notice or compensation in lieu of notice. Notwithstanding the foregoing, if the Company terminates this Agreement pursuant to due to the death or permanent disability of Mr. Taylor and such death or permanent disability occurred during or resulted directly from Mr. Taylor's performance of the services required under the CEO Agreement, then the Company shall pay to Mr. Taylor a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two calendar years immediately preceding the year in which the termination occurred.

The Company had the right to terminate the CEO Agreement by giving at least sixty (60) days advance notice in writing to Mr. Taylor, provided that on receipt of such notice of termination, Mr. Taylor may elect to accept such notice of termination effective immediately in which case Mr. Taylor's engagement will terminate immediately upon such acceptance by Mr. Taylor. The provided notice under this section must be supported by the majority of the Board.

Mr. Taylor had the right to terminate the CEO Agreement upon the happening of any one or more triggering events (a "triggering event" includes, but is not limited to, a substantial change to the nature of the services to be performed, a material breach by the Company of any provision of the CEO Agreement that is not remedied, the requirement for Mr. Taylor to relocate to another city, the Company ceasing to operate as a going concern, a material reduction in the base fee payable under the CEO Agreement, or the incumbent directors ceasing to constitute a majority of the Board) by providing written notice to the Company, upon which the Company shall pay to Mr. Taylor a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two (2) calendar years immediately preceding the year in which the termination occurred.

If a change of control in the Company occurred at any time after July 1, 2021 and if, in respect of Mr. Taylor, a triggering event subsequently occurred within one (1) year of the change of control, Mr. Taylor was entitled to elect to terminate its engagement with the Company and receive a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two (2) calendar years immediately preceding the year in which the termination occurred.

***Executive Consulting Agreement with CFO Ryan Cheung and Midland Management Ltd.***

Midland Management Ltd. (a company owned and controlled by Ryan Cheung) entered into a consulting agreement with the Company dated as of December 1, 2022, (the "CFO Agreement"). Pursuant to the CFO Agreement, Mr. Cheung agreed to provide his services as Chief Financial Officer at a base remuneration of \$3,000 to \$10,000 per month, as mutually agreed to by the Company and Mr. Cheung on a month-to-month basis. Additional remuneration or compensation (whether a bonus or other form of additional remuneration, including Options, equity or other compensation) rested in the sole discretion of the Company. The term of the CFO Agreement continued until terminated in accordance with termination provisions therein. The Company had the right to terminate the CFO Agreement at any time, for material breach of any of the terms and conditions of the CFO Agreement (a "material breach" included, but was not limited to, the failure or refusal of Mr. Cheung to perform the services required at an acceptable level or standard, provided that he had been provided written notice of such failure and has not corrected his behaviour within 20 days of receiving such notice and provided further that he shall only be entitled to correct his behaviour pursuant to the notification on a one-time basis). If Mr. Cheung was prevented by reason of illness, or mental or physical disability or incapacity from carrying out services for 365 consecutive days or more than 182 days in aggregate, the Company had the right to terminate the CFO Agreement by providing notice in writing and the CFO Agreement automatically terminated, without notice or payment in lieu thereof, upon death, any material dishonesty on part of Mr. Cheung affecting the

Company, conviction of Mr. Cheung for an indictable offence or for any crime involving fraud or misrepresentation, a material conflict of interest as described in the CFO Agreement, wilful and intentional act on the part of Mr. Cheung (as described in the CFO Agreement) and any other cause or reason which would entitle the Company to terminate Mr. Cheung's engagement without notice or compensation in lieu of notice. Notwithstanding the foregoing, if the Company terminated this Agreement pursuant to the death or permanent disability of Mr. Cheung and such death or permanent disability occurred during or resulted directly from Mr. Cheung's performance of the services required under the CFO Agreement, then the Company shall pay to Mr. Cheung a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date.

The Company had the right to terminate the CFO Agreement by giving at least sixty (60) days advance notice in writing to Mr. Cheung, provided that on receipt of such notice of termination, Mr. Cheung may elect to accept such notice of termination effective immediately in which case Mr. Cheung's engagement will terminate immediately upon such acceptance by Mr. Cheung. The provided notice under this section must be supported by the majority of the Board.

Mr. Cheung had the right to terminate the CFO Agreement upon the happening of any one or more triggering events (a "triggering event" includes, but is not limited to, a substantial change to the nature of the services to be performed, a material breach by the Company of any provision of the CFO Agreement that is not remedied, requirement for Mr. Cheung to relocate to another city or the Company ceasing to operate as a going concern) by providing written notice to the Company and the Company shall pay to Mr. Cheung a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date.

Pursuant to the terms of the CFO Agreement, if a change of control in the Company occurred at any time after December 1, 2022 and if, in respect of Mr. Cheung, a triggering event subsequently occurred within one (1) year of the change of control, Mr. Cheung was entitled to elect to terminate its engagement with the Company and receive a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date. If the amount of payment required to be paid by the Company to Mr. Cheung under the CFO Agreement is not permitted by an applicable stock exchange then Mr. Cheung and the Company agree to adjust the payment required to be paid to the lesser allowable amount permitted by the stock exchange.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### ***Elements of the Compensation Program***

The Company's executive compensation is intended to be consistent with the Company's business plans, strategies and goals, including the preservation of working capital. The Company's executive compensation program is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results. Any compensation paid by the Company to its NEOs is determined by the Board.

The Company is a mineral exploration company with limited resources. The compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company's shareholders. In the Compensation Committee's view, paying salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective

executives. Competitive salary information on comparable companies is compiled from a variety of sources, including national and international publications.

The Company adopted the current Stock Option Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

**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.