

ASCOT RESOURCES LTD.

STATEMENT OF EXECUTIVE COMPENSATION (for the year ended March 31, 2017)

The following information is presented in accordance with National Instrument 51-102 and Form 51-102F6 – *Statement of Executive Compensation*, and sets forth compensation for each NEO (as defined herein) and director of Ascot Resources Ltd. (the “**Company**”) during the financial year ending March 31, 2017. This statement of executive compensation is dated for reference September 27, 2017.

GENERAL

Interpretation

For the purpose of this “Statement of Executive Compensation”:

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid, or payable under an incentive plan;

“**NEO**” or “**named executive officer**” has the meaning set out under “*Compensation Discussion and Analysis*”;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Currency

In this Statement of Executive Compensation, unless otherwise indicated, all dollar amounts and references to “\$” are to Canadian dollars.

TABLE OF CONTENTS

COMPENSATION DISCUSSION AND ANALYSIS	1
SUMMARY COMPENSATION TABLE	2
INCENTIVE PLAN AWARDS	3
PENSION PLAN BENEFITS	4
TERMINATION AND CHANGE OF CONTROL BENEFITS.....	5
DIRECTOR COMPENSATION	7

COMPENSATION DISCUSSION AND ANALYSIS

Named Executive Officers

Set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**” or “**NEOs**”):

- (a) the Company’s CEO;
- (b) the Company’s CFO;
- (c) each of the Company’s three most highly compensated executive officers, including any of its subsidiaries, or three most highly compensated individuals 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, individually, more than \$150,000 for that financial year; and
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

As at March 31, 2017, the end of the most recently completed financial year of the Company, the Company had three Named Executive Officers, whose names and positions held within the Company are set out under “*Summary Compensation Table*”.

Compensation Philosophy and Objectives

The Company’s executive compensation program is designed to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives’ interests with those of the Company’s shareholders. The chief goal of the Company’s compensation strategy is to enhance shareholder value over the long term. In order to meet the Company’s objectives, the Company’s board of directors (the “**Board**”) is guided by:

- providing executives with an equity-based incentive plan – namely, a stock option plan;
- aligning employee compensation with Company corporate objectives and best practices corporate governance; and
- attracting and retaining highly qualified individuals in key positions.

The Company has no formal compensation policy. The Board as a whole is responsible for reviewing and approving corporate goals and objectives relevant to an NEO’s compensation, evaluating the NEO’s performance in light of those goals and objectives and making recommendations with respect to the NEO’s compensation based on this evaluation.

The Board monitors levels of executive remuneration to ensure overall compensation reflects the Company’s objectives and philosophies and meets the Company’s desired relative compensation position. Executive officers’ compensation is designed in a manner to recognize and reward executive officers based upon individual and corporate performance, to be competitive with the compensation arrangements and programs established by other resource companies with which the Company compares itself, and to be consistent with the executive officers’ respective contributions to the overall benefit of the Company.

An NEO or director is not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of 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. The Board has not considered risks associated with the Company's compensation policies and practices.

Compensation Elements

The Company's compensation structure is primarily composed of two components – base salary (consulting fees) and stock options.

Base Salary (Consulting Fees)

The compensation payable to the CEO and other executive officers is considered and approved by the Company's independent directors according to their understanding as to the amount of compensation that is reasonable in the circumstances. Compensation is set based on a discussion by the independent directors without any formal objectives, criteria or analysis except for a review of certain subjective criteria that relate to the performance of the Company and the contribution of the executive officer to that performance.

Option-based Awards

As a junior exploration company, stock option grants are considered a significant component of the Company's overall compensation strategy in order to appropriately incentivize the NEOs in a manner that is consistent with shareholders' interests. Options are granted to the Company's executive officers under its incentive stock option plan (the "**Option Plan**") as determined by the Board on a discretionary basis subject to only the subjective criteria discussed above.

The Company established the Option Plan in order to attract and retain directors, executive officers and employees who will be motivated to work towards ensuring the success of the Company. Proposed grants are submitted to the Board for approval. Prior grants to executive officers are taken into consideration when considering new grants. The Board administers the Option Plan and has the authority to amend the plan, subject to applicable shareholder and regulatory approvals.

SUMMARY COMPENSATION TABLE

The following table is a summary of compensation paid to the NEOs for each of the Company's three most recently completed financial years ended March 31, 2015, March 31, 2016 and March 31, 2017:

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
John A. Toffan <i>CEO</i>	2017	Nil	Nil	1,083,544 ⁽²⁾	Nil	Nil	Nil	365,000 ⁽³⁾	1,448,554
	2016	Nil	Nil	Nil	Nil	Nil	Nil	200,000 ⁽⁴⁾	200,000
	2015	Nil	Nil	473,443 ⁽²⁾	Nil	Nil	Nil	200,000 ⁽⁴⁾	673,443
Robert A. Evans <i>Secretary/ Treasurer/ CFO</i>	2017	215,000	Nil	1,083,554 ⁽²⁾	Nil	Nil	Nil	150,000 ⁽⁵⁾	1,448,554
	2016	200,000	Nil	Nil	Nil	Nil	Nil	Nil	200,000
	2015	200,000	Nil	473,443 ⁽²⁾	Nil	Nil	Nil	Nil	673,443
Rickki L. Kasum <i>Project Manager at Dilworth and Premier</i>	2017	200,576	Nil	663,636 ⁽²⁾	Nil	Nil	Nil	Nil	864,212
	2016	180,294	Nil	Nil	Nil	Nil	Nil	Nil	180,294
	2015	168,646	Nil	378,754 ⁽²⁾	Nil	Nil	Nil	Nil	547,400

Notes:

(1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires six key inputs: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management of the Company. The Black-Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.

(2) These numbers are calculated in accordance with section 3870 of the CICA handbook and are the same numbers as used in the Company's financial statements.

(3) Consists of consulting fees in the amount of \$215,000 and a bonus in the amount of \$150,000.

(4) Consulting fees paid to the NEO.

(5) Consists of a bonus paid to the NEO.

INCENTIVE PLAN AWARDS

Outstanding share-based awards and option-based awards

The following table sets out the option-based awards made by the Company to the NEOs which were outstanding as at March 31, 2017. Further details about the granting of options and determination of their terms are discussed under "Compensation Discussion and Analysis – Compensation Elements – Option-based Awards".

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
John A. Toffan	600,000	0.95	Sept. 17, 2018	588,000	Nil	Nil	Nil
	750,000	0.88	June 20, 2019	787,500	Nil	Nil	Nil
	500,000	1.68	July 21, 2021	125,000	Nil	Nil	Nil
	400,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Robert A. Evans	600,000	0.95	Sept. 17, 2018	588,000	Nil	Nil	Nil
	750,000	0.88	June 20, 2019	787,500	Nil	Nil	Nil
	500,000	1.68	July 21, 2021	125,000	Nil	Nil	Nil
	400,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
Rickki L. Kasum	600,000	0.95	Sept. 17, 2018	588,000	Nil	Nil	Nil
	600,000	0.88	June 20, 2019	630,000	Nil	Nil	Nil
	400,000	1.68	July 21, 2021	100,000	Nil	Nil	Nil
	150,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil

Note:

⁽¹⁾ Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Company's common shares as at March 31, 2017 (\$1.93 closing price on the TSX Venture Exchange on March 31, 2017) and the exercise price of the options.

Incentive plan awards – value vested or earned during the year

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John A. Toffan	1,083,544	Nil	Nil
Robert A. Evans	1,083,544	Nil	Nil
Rickki L. Kasum	663,636	Nil	Nil

Note:

⁽¹⁾ All options vest immediately and are granted at the market price. The weighted average fair value at grant date of options vested during the year ended March 31, 2017 was \$1.86 (2016: nil).

Discussion of plan-based awards

During the financial year ended March 31, 2017, directors and officers exercised 250,000 stock options at \$1.20, 30,000 stock options at \$0.95 and 50,000 stock options at \$0.88. In addition, during the financial year ended March 31, 2017, the Company granted a total of 400,000 stock options at \$2.34, 1,600,000 stock options at \$1.68 and 1,150,000 stock options at \$1.93.

The Board administers the Company's Option Plan and, as such, all proposed stock option grants are submitted to the Board for their approval. In considering new grants, the Board considers prior grants made to directors and executive officers.

PENSION PLAN BENEFITS

The Company has not established any pension plans or deferred compensation plans for directors and executive officers that provide for payments or benefits at, following, or in connection with retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Description of Termination and Change of Control Benefits

The Company has entered into employment agreements with each of Mr. Toffan, Mr. Evans and Mr. Kasum which provide for certain termination and change of control benefits and are summarized below.

John A. Toffan

Mr. Toffan's employment may be terminated by the Company by providing Mr. Toffan with twelve (12) months' written notice or twelve (12) months' base salary in lieu of such notice (at the Company's sole discretion) or any combination thereof. Mr. Toffan may terminate his employment with the Company by providing not less than ninety (90) days' written notice, at which point the Company shall have the right to elect to terminate Mr. Toffan's employment at any time prior to the effective date of the resignation and, upon such election, shall provide Mr. Toffan a lump sum equal to his base salary for the notice period required to be provided by Mr. Toffan or to such proportion of that notice period that remains outstanding at the time of the election and shall continue to provide all medical and healthcare benefits that the Company is permitted or able to provide under the applicable rules of the relevant plans for the lesser of the applicable notice period or the period of time that remains outstanding at the time of the Company's election.

If, within twelve (12) months immediately following a Change of Control (as defined herein), Mr. Toffan elects to terminate his employment, Mr. Toffan's employment agreement provides for a severance payment of twelve (12) months' salary and all unvested options vest immediately.

Robert A. Evans

Mr. Evans' employment may be terminated by the Company by providing Mr. Evans with twelve (12) months' written notice or twelve (12) months' base salary in lieu of such notice (at the Company's sole discretion) or any combination thereof. Mr. Evans may terminate his employment with the Company by providing not less than ninety (90) days' written notice, at which point the Company shall have the right to elect to terminate Mr. Evans' employment at any time prior to the effective date of the resignation and, upon such election, shall provide Mr. Evans a lump sum equal to his base salary for the notice period required to be provided by Mr. Evans or to such proportion of that notice period that remains outstanding at the time of the election and shall continue to provide all medical and healthcare benefits that the Company is permitted or able to provide under the applicable rules of the relevant plans for the lesser of the applicable notice period or the period of time that remains outstanding at the time of the Company's election.

If, within twelve (12) months immediately following a Change of Control, Mr. Evans elects to terminate his employment, Mr. Evans' employment agreement provides for a severance payment of twelve (12) months' salary and all unvested options vest immediately.

Rickki L. Kasum

Mr. Kasum's employment may be terminated by the Company by providing Mr. Kasum with twelve (12) months' written notice or twelve (12) months' base salary in lieu of such notice (at the Company's sole discretion) or any combination thereof. Mr. Kasum may terminate his employment with the Company by providing not less than ninety (90) days' written notice, at which point the Company shall have the right to elect to terminate Mr. Kasum's employment at any time prior to the effective date of the resignation and, upon such election, shall provide Mr. Kasum a lump sum equal to his base salary for the notice period required to be provided by Mr. Kasum or to such proportion of that notice period that remains outstanding at the time of the election and shall continue to provide all medical and healthcare benefits that the

Company is permitted or able to provide under the applicable rules of the relevant plans for the lesser of the applicable notice period or the period of time that remains outstanding at the time of the Company’s election.

If, within twelve (12) months immediately following a Change of Control, Mr. Kasum elects to terminate his employment, Mr. Kasum’s employment agreement provides for a severance payment of twelve (12) months’ salary and all unvested options vest immediately.

“Change of Control”

A “Change of Control” is defined in such employment agreements as any of the following:

- (a) at least 50% in fair-market value of all the assets of the Company are sold; or
- (b) there is direct or indirect acquisition by a person or group of persons (excluding the respective employee or any person associated with the respective employee) acting jointly or in concert of voting securities of the Company that when taken together with any voting securities owned directly or indirectly by such person or group of persons at the time of the acquisition, constitute 40% or more of the outstanding voting securities of the Company; or
- (c) a majority of the then-incumbent board of directors’ nominees for election to the board of directors of the Company are not elected at any annual or special meeting of shareholders of the Company; or
- (d) a liquidation, dissolution or winding-up of the Company; or
- (e) the amalgamation, merger or arrangement of the Company with or into another where the shareholders of the Company immediately prior to the transaction will hold less than 51% of the voting securities of the resulting entity upon completion of the transaction;

but does not include any transaction that may occur between the Company, any affiliate or subsidiary of the Company or, as applicable, any person associated with the Company or any affiliate or subsidiary of the Company, which, but for such relationship the transaction would otherwise constitute a Change of Control hereunder.

Other than as described above, the Company and its subsidiaries have no compensatory plans or arrangements with respect to the Named Executive Officers that results or will result from the resignation, retirement or any other termination of employment of such officers’ employment with the Company or its subsidiaries, from a Change of Control of the Company and its subsidiaries or a change in the Named Executive Officers’ responsibilities.

Estimated Incremental Payments

The following table sets forth the estimated incremental payments that would be made to each of Mr. Toffan, Mr. Evans and Mr. Kasum assuming that termination occurred on March 31, 2017:

Name	Triggering Event	Payment pursuant to NEO Agreement (\$)	Payment pursuant to accelerated vesting of options triggered by termination	Total (\$)
John A. Toffan	Termination without cause by the Company ⁽¹⁾	260,000	Nil	260,000
	Termination by employee ⁽²⁾	65,000	Nil	65,000
	Change of Control	260,000	Nil	260,000

Name	Triggering Event	Payment pursuant to NEO Agreement (\$)	Payment pursuant to accelerated vesting of options triggered by termination	Total (\$)
Robert A. Evans	Termination without cause by the Company ⁽¹⁾	260,000	Nil	260,000
	Termination by employee ⁽²⁾	65,000	Nil	65,000
	Change of Control	260,000	Nil	260,000
Rickki L. Kasum	Termination without cause by the Company ⁽¹⁾	200,576	Nil	200,576
	Termination by employee ⁽²⁾	50,144	Nil	50,144
	Change of Control	200,576	Nil	200,576

Notes:

(1) Assuming the Company provides twelve (12) months' base salary in lieu of twelve (12) months' written notice upon termination.

(2) Assuming the Company elects to terminate the employee's employment immediately upon receiving the employee's notice, resulting in base salary payable for ninety (90) days.

DIRECTOR COMPENSATION

Director compensation table

The following table is a summary of compensation paid to non-NEO directors of the Company for the most recently completed financial year ended March 31, 2017:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$) ⁽¹⁾
Kenneth M. Carter	Nil	Nil	240,617	Nil	Nil	Nil	240,617
L. John Swann	Nil	Nil	240,617	Nil	Nil	Nil	240,617
Greg Gibson	Nil	Nil	594,349	Nil	Nil	Nil	594,349

Notes:

(1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires six key inputs: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management of the Company. The Black-Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.

These numbers are calculated in accordance with section 3870 of the CICA handbook and are the same numbers as used in the Company's financial statements.

Discussion of director compensation

The directors of the Company do not receive compensation for services provided in their capacity as directors, including any fees for serving on the Board or committees thereof or for attending Board meetings.

However, directors may be compensated from time to time for consulting services provided. The compensation payable for consulting services is considered and approved by the Company's independent directors according to their understanding as to the amount of compensation that is reasonable in the circumstances. During the most recently completed financial year, the aggregate direct remuneration paid or payable by the Company to its directors for consulting services was nil.

Directors are eligible to receive stock options granted pursuant to the Company's Option Plan. The Board, as a whole, determines stock option grants for each director. During the most recently completed financial year,

the Company granted incentive stock options to purchase an aggregate of 800,000 shares to its non-NEO directors.

Outstanding share-based awards and options-based awards

The following table sets out the option-based awards made by the Company to the non-NEO directors which were outstanding as at March 31, 2017.

Name	Option Based Awards				Share Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed
Kenneth M. Carter	150,000	0.95	Sept. 17, 2018	147,000	Nil	Nil	Nil
	150,000	0.88	June 20, 2019	157,500	Nil	Nil	Nil
	100,000	1.68	July 21, 2021	25,000	Nil	Nil	Nil
	100,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
L. John Swann	120,000	0.95	Sept. 17, 2018	117,600	Nil	Nil	Nil
	50,000	0.88	June 20, 2019	52,500	Nil	Nil	Nil
	100,000	1.68	July 21, 2021	25,000	Nil	Nil	Nil
	100,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
Greg Gibson	400,000	2.34	Aug 6, 2021	Nil	Nil	Nil	Nil

Note:

- (1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Company's common shares as at March 31, 2017 (\$1.93 closing price on the TSX Venture Exchange on March 31, 2017) and the exercise price of the options.

Incentive-based awards – value vested or earned during the year

The following table sets out the aggregate dollar value that would have been realized by each non-NEO director if he exercised, on the applicable vesting dates, those options held by him under option-based awards, which vested during the most recently completed financial year ended March 31, 2017.

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Kenneth M. Carter	240,617	Nil	Nil
L. John Swann	240,617	Nil	Nil
Greg Gibson	594,349	Nil	Nil

Note:

- (1) All options vest immediately and are granted at the market price. The weighted average fair value at grant date of options vested during the year ended March 31, 2017 was \$1.86 (2016: nil).