

**ESHIPPERS MANAGEMENT LTD.  
(the "Corporation")**

**STATEMENT OF EXECUTIVE COMPENSATION**

**FOR THE FINANCIAL YEAR ENDING MAY 31, 2018**

In accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*, the Canadian Securities Administrators have issued guidelines on executive compensation disclosure for venture issuers as set out in Form 51-102F6V. The objective of the disclosure is to communicate the compensation the Corporation paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. The disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Corporation and will help Shareholders understand how decisions about executive compensation are made. The Corporation's approach to executive compensation is set forth below.

**Director and Name Executive Officer Compensation**

Executive compensation is required to be disclosed for each (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) the most highly compensated executive officer (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year whose total compensation was, individually, more than \$150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year (the "Named Executive Officers" or "NEO's").

**Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets forth all compensation paid or accrued, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation or any subsidiary thereof, to each Named Executive Officer and director of the Corporation, for each of the two most recently completed financial years ended May 31, 2018 and 2017.

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position <sup>(1)</sup></b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$) <sup>(2)</sup></b>	<b>Value of all other compensation (\$) <sup>(3)</sup></b>	<b>Total compensation (\$)</b>
BEREZAN, Leo <sup>(4)</sup> <i>Director and President</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
LEUNG, Edward <sup>(5)</sup> <i>Director and CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
OLNICK, Virginia <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
SHIELDS, Gerald	2018	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and position <sup>(1)</sup>	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) <sup>(2)</sup>	Value of all other compensation (\$) <sup>(3)</sup>	Total compensation (\$)
<i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
CURTIS, Michael <sup>(6)</sup> <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
HUGHES, David <sup>(7)</sup> <i>Former CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

1. If an individual is an NEO and a director, both positions have been listed. Directors do not receive compensation for acting as directors; all compensation noted is for serving as an NEO.
2. Includes perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are greater than (a) \$15,000, if the NEO or director's total compensation for the financial year is \$150,000 or less; (b) 10% of the NEO or director's salary for the financial year, if the NEO or director's total compensation for the financial year is greater than \$150,000 but less than \$500,000; (c) \$50,000, if the NEO or director's total for the financial year is \$500,000 or greater.
3. No form of other compensation paid or payable equals or exceeds 25% of the total value of other compensation paid or payable to the director or Named Executive Officer.
4. Mr. Berezan was appointed a director of the Corporation on May 9, 2016 and as President on June 23, 2016.
5. Mr. Leung was appointed a director of the Corporation on May 20, 2016 and as Chief Financial Officer on June 23, 2016.
6. Mr. Curtis resigned as a director of the Corporation on January 19, 2017.
7. Mr. Hughes acted as Chief Financial Officer from July 31, 2015 to June 23, 2016.

**External Management Companies**

Please refer to "Employment, Consulting and Management Agreements" below for disclosure relating to any external management company employing, or retaining individuals, acting as Named Executive Officers of the Corporation, or that provide the Corporation's executive management services and allocate compensation paid to any Name Executive Officer or director.

**Stock Options and Other Compensation Securities**

There were no compensation securities granted or issued by the Corporation, or any subsidiary thereof, to any director or Named Executive Officer in the most recently completed financial year ended May 31, 2018. Furthermore, there were no compensation securities exercised, by any director or Named Executive Officer in the most recently completed financial year ended May 31, 2018.

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

The following is a summary of the Corporation's stock option plan (the "Plan"), which is the only incentive plan in place available to the Named Executive Officers and Directors. To view the plan in its entirety please refer to Schedule "B" attached to this Management Proxy Circular.

- The number of Common Shares reserved and authorized for issuance pursuant to options granted under the Plan is 1,200,000, twenty percent (20%) of the total number of issued and outstanding shares in the Corporation as at November 28, 2003, the date on which the Plan was approved by the Corporation's shareholders. Since the Corporation is currently listed on the NEX, the maximum number of options that may be reserved for issuance or issued in any 12 month period is now limited to ten percent (10%) of the total number of issued and outstanding shares in the Corporation, since the Plan only allows for the issuance of 1,200,000 Common Shares, the current Plan remains in place.
- Under the Plan, the aggregate number of optioned Common Shares granted to any one optionee in a 12 month period must not exceed 5% of the Corporation's issued and outstanding shares. The number of optioned Common Shares granted to any one consultant in a 12 month period must not exceed 2% of the Corporation's issued and outstanding shares. The aggregate number of optioned Common Shares granted to an optionee who is employed to provide investor relations' services must not exceed 2% of the Corporation's issued and outstanding Common Shares in any 12 month period.
- The exercise price for options granted under the Plan will not be less than the market price of the Corporation's Common Shares at the time of the grant, less applicable discounts permitted by the policies of the TSX Venture Exchange ("TSXV").
- Options will be exercisable for a term of up to five years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Corporation.
- Upon the retirement, resignation, or termination of the optionee's employment, the optionee's options will expire ninety (90) days from the date of termination, subject to the options' date of expiration. In the case of death, the options granted to the optionee will expire twelve (12) months following the date of each, subject to the options' date of expiration.
- Options are non-assignable and non-transferable.

The Plan was established to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation to achieve the longer-term objectives of the Corporation, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation and to attract to and retain in the employ of the Corporation, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

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

The Corporation does not have any employment, consulting or management agreements in place with its Named Executive Officers or directors.

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

### **Director Compensation**

The Corporation has no standard arrangement pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, except for the granting from time to time of incentive stock options in accordance with the policies of the TSXV and the Plan.

### **Named Executive Officer Compensation**

The Corporation has no standard arrangement pursuant to which Named Executive Officers or directors are compensated by the Corporation for their services, except for the granting from time to time of incentive stock options in accordance with the policies of the TSXV and the Plan.

Neither Named Executive Officers nor directors are permitted to take any derivative or speculative positions in the Corporation's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Corporation's securities.

Compensation for the most recently completed financial year should not be considered as an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Corporation's financial resources and prospects.

### **Pension Disclosure**

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement for its directors or Named Executive Officers.