

RUSORO MINING LTD.
(the “Company”)

FORM 51-102F6
STATEMENT OF EXECUTIVE COMPENSATION
(for the year ended December 31, 2017)

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;

“**closing market price**” means the price at which the Company’s security was last sold, on the applicable date,

- (a) in the security’s principal marketplace in Canada, or
- (b) if the security is not listed or quoted on a marketplace in Canada, in the security’s principal marketplace;

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**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;

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

“**grant date**” means a date determined for financial statement reporting purposes under 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**” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the 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) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year;

“**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.

All dollar amounts referenced herein, unless otherwise indicated, are expressed in United States dollars and Canadian dollars are referred to as “C\$”.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Compensation provided to the Company’s NEOs is determined and reviewed by the Company’s Compensation Committee. In establishing executive compensation policies, the Compensation Committee takes into consideration the recommendations of management and, following discussion and review, reports them to the Company’s full Board of Directors for final approval. The members of the Compensation Committee for the financial year ended December 31, 2017 were Gordon Keep (Chair), Abraham Stein and Peter Hediger, each of whom is considered to be “independent” as that term is defined in National Instrument 58-101 “Disclosure of Corporate Governance Practices”.

Compensation for the Company’s NEOs consists of:

- (a) Base Salary;
- (b) Option Based Awards;
- (c) Eligibility to Receive Bonuses in the Form of Cash Payments; and
- (d) Other Benefits.

The compensation being offered by the Company to its NEOs is in sync with the prevailing market conditions. The specific elements of compensation and compensation levels are based on what is required to attract and retain qualified and experienced executives to assist with the success of the Company and are intended to provide executives with appropriate compensation and incentives so as to encourage the further growth and development of the Company.

The Company does not currently have in place a share award program.

The Board of Directors has not conducted a formal evaluation of the implications of the risks associated with the Company’s compensation policies. Risk management is a consideration of the Board of Directors when implementing its compensation policies and the Board of Directors do not believe that the Company’s compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Base Salary

In determining base salary compensation for the NEOs, the Company, in previous years, relied on information provided by executive placement firms to determine compensation paid by companies of similar size engaged in mineral exploration, development and production. Those executive placement firms included CJ Safford & Associates for Presidents, CEOs and COOs, and Hays Specialist Recruitment, Robert Half and Moxon Personnel for CFOs, and other finance positions. Further, salaries of NEOs were compared to salaries paid by junior mining companies at a similar stage of development, as reported by them in their continuous disclosure filings. These other companies included Avion Gold Corp., B2Gold Corporation, Golden Star Resources, Gold Reserve Inc., Guyana Goldfields Inc., Jaguar Mining Inc. and Osisko Mining Corporation. Base salary compensation is also determined based on an assessment of each NEOs’ experience, level of expertise, responsibilities and previous remuneration. Other factors considered include prevailing industry demand for personnel having comparable skills and performing similar duties, the compensation the individual could reasonably expect to receive from a competitor and the Company’s ability to pay. Effective January 1, 2014, the CEO’s annual salary was reduced from \$540,000 to \$100,000 and subsequently reinstated on September 1, 2017, of which all but \$100,000 is being accrued. The reduction was in recognition of the

Company's limited cash resources and a decrease in the amount of time required to be devoted to the affairs of the Company following the nationalization by the Venezuelan government of the Company's gold mining assets in Venezuela. The reinstatement was due to the amount of time required in pursuing the enforcement and collection of the Award.

Option Based Awards

The Company has in effect a stock option plan (the "Option Plan") in order to provide effective incentives to directors, officers and senior management personnel and consultants of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's Shareholders. In determining option grants to the Named Executive Officers, the Compensation Committee together with management takes into consideration factors that include the amount and exercise price of previous option grants, the NEO's experience, level of expertise and responsibilities, and the contributions of each NEO towards the completion of corporate transactions in any given fiscal year.

Under the Option Plan, the number of common shares reserved for issuance pursuant to the exercise of stock options is equal to 10% of the issued common shares of the Company from time to time. For details of the Option Plan, please refer to the Company's Information Circular dated November 1, 2017 available on SEDAR at www.sedar.com.

Eligibility to Receive Bonuses in the Form of Cash Payments

The Compensation Committee, together with recommendations from management, awards bonuses based on both individual performance and corporate success at various times throughout the year, up to an aggregate of 100% of a Named Executive Officer's base salary for the year. The Company does not have any specific milestone criteria for issuing bonuses at this time. There were no bonuses paid to the Company's NEOs during the year ended December 31, 2017.

Other Benefits

The Company is a party to a trust agreement and a contribution agreement whereby it agreed to pay to a trust established for the Board of Directors and management of the Company a success fee if the Company was successful in its arbitration (the "Arbitration") against the Bolivarian Republic of Venezuela. On August 22, 2016, the Arbitration Tribunal operating under the Additional Facility Rules of the World Bank's International Centre for the Settlement of Investment Disputes made an award (the "Award") to the Company in the Arbitration and, accordingly, the success fee will be equal to 2% of the proceeds received by the Company in respect of the Award. The trustees (the "Trustees") for the trust are independent directors and members of the Compensation Committee of the Board of Directors. The Trustees are empowered to allocate the success fee amongst the Board of Directors and management of the Company as they deem appropriate. As at the date of this Statement of Executive Compensation, the Company has not received payment of the Award so no funds have yet been paid to the trust and the amount payable can't be determined as yet.

The Company is also a party to a trust agreement and contribution agreement whereby it has agreed to pay to a trust established for members of management and the Executive Committee of the Board of Directors a success fee upon the completion of a transaction or series of transactions. Refer to "Termination and Change of Control Benefits".

The other benefits that are provided to the Company's NEOs are limited to payments consisting of contributions to life insurance, short and long-term disability insurance, health and medical insurance.

Other negotiable terms of compensation, such as payment on termination of employment and change of control, are reviewed and determined on an individual basis and are designed to be competitive overall with equivalent positions in comparable organizations. Details of such terms for the Company's NEOs are set out below under the heading "Termination and Change of Control Benefits".

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

Use of Financial Instruments

The Company does not have a policy that would prohibit a Named Executive Officer or director from purchasing financial instruments, including 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 Named Executive Officer or director. However, management is not aware of any Named Executive or director purchasing such an instrument.

SUMMARY COMPENSATION TABLE

In accordance with applicable legislation, the Company had three Named Executive Officers during the financial year ended December 31, 2017, namely Andre Agapov (President and Chief Executive Officer), Jessica Van Den Akker (Chief Financial Officer since January 13, 2017) and Harpreet Dhaliwal (Chief Financial Officer from March 1, 2016 to January 13, 2017).

The following table sets forth particulars of all compensation paid to the Named Executive Officers during the years ended December 31, 2016, 2015 and 2014:

Name and principal position	Year	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			
Andre Agapov President, Chief Executive Officer	2017	246,667 ⁽¹⁾	Nil	289,512 ⁽²⁾	Nil	Nil	Nil	Nil	536,179
	2016	100,000	Nil	Nil	Nil	Nil	Nil	Nil	100,000
	2015	100,000	Nil	Nil	Nil	Nil	Nil	Nil	100,000
Jessica Van Den Akker Chief Financial Officer	2017	Nil	Nil	24,958 ⁽²⁾	Nil	Nil	Nil	Nil	24,958
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Harpreet Dhaliwal Former Chief Financial Officer	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2016	Nil	Nil	12,084 ⁽³⁾	Nil	Nil	Nil	Nil	12,084
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Effective September 1, 2017, Mr. Agapov's salary was reinstated from \$100,000 to \$540,000, of which all but \$100,000 is being accrued.

(2) On February 3, 2017 the Company granted 2,900,000 options to Andre Agapov and 250,000 options to Jessica Van Den Akker, both exercisable at a price of C\$0.17 per share until February 3, 2027. The methodology used to calculate these amounts was the Black-Scholes model. The Company chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The Black-Scholes assumptions used by the Company were: i) annualized volatility: 75%; ii) expected life: 10 years; iii) risk-free interest rate: 1.13%; and iv) dividend yield: 0%; this is consistent with the accounting values used in the Company's financial statements.

(3) On April 19, 2016 the Company granted 200,000 options to Harpreet Dhaliwal exercisable at a price of C\$0.10 per share until April 19, 2026. The methodology used to calculate these amounts was the Black-Scholes model. The Company chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The Black-Scholes assumptions used by the Company were: i) annualized volatility: 75%; ii) expected life: 10 years; iii) risk-free interest rate: 1.33%; and iv) dividend yield: 0%; this is consistent with the accounting values used in the Company's financial statements.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the Named Executive Officers and which were outstanding at December 31, 2017:

Name	Option-based Awards				Share-based Awards ⁽²⁾		
	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 (\$)
Andre Agapov	4,000,000 3,000,000 1,550,000 3,000,000 2,900,000	C\$1.31 C\$0.60 C\$0.20 C\$0.05 C\$0.17	Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Sept 9, 2023 Feb 3, 2027	Nil Nil Nil C\$60,000 Nil	N/A	N/A	N/A
Jessica Van Den Akker	250,000	C\$0.17	Feb 3, 2027	Nil	N/A	N/A	N/A
Harpreet Dhaliwal	200,000	C\$0.10	Jan 13, 2018 ⁽³⁾	Nil	N/A	N/A	N/A

(1) Based on the difference between the exercise price of the options and the closing price of the Company's common shares on the TSX Venture Exchange on December 29, 2017 of C\$0.07.

(2) The Company has not granted any share-based awards.

(3) Ms. Dhaliwal's stock options expired unexercised on January 13, 2018, one year after her resignation.

Incentive Plan Awards – Value Vested or Earned During the Year

No incentive plan awards that were previously granted to Named Executive Officers vested during the year ended December 31, 2017.

3,150,000 stock options were granted to a Named Executive Officer during the year ended December 31, 2017, however, because the exercise price of these options was equal to or greater than the market price of the Common Shares on the date of vesting, the value vested or earned was nil.

Narrative Discussion

The only plan based award program that the Company currently operates with is its Option Plan. The Company's current Option Plan was adopted by the Board of Directors on October 27, 2016 and re-approved by the shareholders of the Company at the previous annual general meeting of the Shareholders held on December 12, 2017. The purpose of the Option Plan is to advance the interests of the Company, through the grant of options, by (1) providing an incentive mechanism to foster the interest of directors, officers, employees and consultants in the success of the Company; (2) encouraging directors, officers, employees and consultants to remain with the Company; and (3) attracting new directors, officers, employees and consultants.

The Option Plan is administered by the Board or the Compensation Committee established by the Board for the purpose of administering the Option Plan. At the present time, option grants are approved by either the Board or the Compensation Committee. It is the responsibility of the granting party to determine:

- (a) persons entitled to receive the option grant;
- (b) the number of options to be granted;
- (c) the exercise price, which shall not be less than market price for the Company's common shares at the date of grant;
- (d) an expiry date of no more than ten (10) years after the date of the grant; and
- (e) the manner, if any, in which the option shall vest and become exercisable.

For details of the Option Plan, please refer to the Company's Information Circular dated November 1, 2017 available on SEDAR at www.sedar.com.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has entered into agreements with its NEOs which contain terms relating to duties, salaries, compensation, benefits, termination, change of control and severance. The benefits provided to the Company's NEOs are standard benefits, as provided to all of its employees, which include life insurance, short and long-term disability insurance, health and medical insurance programs and plans. The following sets out further details for each NEO relating to their agreements with the Company with respect to other terms of their contracts:

Andre Agapov

The Company and Mr. Andre Agapov entered into an agreement whereby Mr. Agapov fulfills the role of Chief Executive Officer of the Company. Pursuant to this agreement, Mr. Agapov is entitled to receive an annual salary in the amount of \$540,000 and, at the discretion of the Board or the Board's Compensation Committee, Mr. Agapov is entitled to receive an annual bonus of up to 100% of his salary. Pursuant to the agreement and subject to a change of control of the Company, Mr. Agapov is entitled to receive one year's salary and his previously granted options shall vest immediately and shall be exercisable for one (1) year from the date of the change of control. Assuming the agreement was terminated on December 31, 2017, Mr. Agapov would have been entitled to be paid \$540,000.

Trust and Contribution Agreements

The Company is party to a trust agreement and a contribution agreement whereby it has agreed to pay to a trust established for members of management and the Executive Committee of the Board of Directors, a success fee upon the completion of a transaction or series of transactions. For the purposes of the contribution agreement, a "Transaction" is defined as: (a) any merger, consolidation, reorganization, recapitalization, restructuring, leveraged buyout, business combination, or any transaction pursuant to which the Company is acquired by or combined with a third party; or (b) the acquisition by a third party of any assets or operations of the Company, or any outstanding shares of the Company; or (c) a sale or spin-off of any material assets, of 5% or more of the capital stock of any subsidiary of the Company, or any transaction which has the effect of altering the capitalization of the Company. Where a change in control accompanies the Transaction, the success fee will be equal to 1% of the aggregate transaction value as defined in the contribution agreement. If the Transaction involves the acquisition of less than 50% of the voting power of the then outstanding Company's shares, then the success fee will be equal to 0.5% of the aggregate transaction value. As at the date of this Statement of Executive Compensation none of the Transaction criteria had been met and no funds have been paid to the trust.

DIRECTOR COMPENSATION

During the financial year ended December 31, 2017, the Company had seven directors. One of the directors, namely Andre Agapov is a NEO. Compensation for the NEO has been discussed above.

The following table sets forth particulars of all compensation paid to directors who were not NEOs during the year ended December 31, 2017.

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-equity Incentive Plan Compensation (\$)	Pension Value (\$)	All other Compensation (\$)	Total (\$)
Vladimir Agapov	100,000 ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	100,000
Jay M. Kaplowitz ⁽²⁾	50,000	Nil	Nil	Nil	Nil	Nil	50,000
Gordon Keep ⁽²⁾	50,000	Nil	Nil	Nil	Nil	Nil ⁽³⁾	50,000
Abraham Stein	30,000	Nil	Nil	Nil	Nil	Nil	30,000

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-equity Incentive Plan Compensation (\$)	Pension Value (\$)	All other Compensation (\$)	Total (\$)
Peter Hediger	30,000	Nil	Nil	Nil	Nil	Nil	30,000
Dmitry Ushakov	30,000	Nil	Nil	Nil	Nil	Nil	30,000

- (1) This amount is paid to Mr. Vladimir Agapov for his services as Chairman of the Board of the Company.
- (2) Member of the Executive Committee
- (3) Fiore Management & Advisory Corp. ("FMAC") received a total of C\$156,396 in advisory and success fees during the financial year ended December 31, 2017. Mr. Keep is the largest shareholder of FMAC.

Narrative Discussion

All directors who are not considered management of the Company receive a director's fee every quarter in the amount of \$7,500. The Company also pays members of its Executive Committee, other than Andre Agapov, a fee of \$5,000 per quarter. Stock options are granted to the directors of the Company as an incentive and appreciation for their time and efforts provided to the Company.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the directors who were not NEOs and which were outstanding at December 31, 2017:

Option-Based Awards					Share-Based Awards ⁽²⁾		
Name	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money-options (\$) ⁽¹⁾	Number of share 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 (\$)
Vladimir Agapov	3,200,000 3,000,000 160,000 1,300,000	C\$1.31 C\$0.60 C\$0.20 C\$0.17	Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Feb 3, 2027	Nil Nil Nil Nil	Nil	N/A	N/A
Jay M. Kaplowitz	50,000 1,000,000 1,000,000 550,000 1,200,000 1,600,000	C\$1.55 C\$1.31 C\$0.60 C\$0.20 C\$0.05 C\$0.17	Jan 25, 2018 Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Sept 9, 2023 Feb 3, 2027	Nil Nil Nil Nil C\$24,000 Nil	Nil	Nil	Nil
Gordon Keep	50,000 1,000,000 1,000,000 550,000 1,200,000 1,600,000	C\$1.55 C\$1.31 C\$0.60 C\$0.20 C\$0.05 C\$0.17	Jan 25, 2018 Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Sept 9, 2023 Feb 3, 2027	Nil Nil Nil Nil C\$24,000 Nil	Nil	Nil	Nil

Option-Based Awards					Share-Based Awards ⁽²⁾		
Name	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money-options (\$) ⁽¹⁾	Number of share 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 (\$)
Abraham Stein	625,000 1,000,000 160,000 800,000 1,300,000	C\$1.31 C\$0.60 C\$0.20 C\$0.05 C\$0.17	Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Sept 9, 2023 Feb 3, 2027	Nil Nil Nil C\$16,000 Nil	Nil	Nil	Nil
Peter Hediger	625,000 1,000,000 160,000 800,000 1,300,000	C\$1.31 C\$0.60 C\$0.20 C\$0.05 C\$0.17	Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Sept 9, 2023 Feb 3, 2027	Nil Nil Nil C\$16,000 Nil	Nil	Nil	Nil
Dmitry Ushakov	575,000 1,000,000 160,000 700,000 1,300,000	C\$1.31 C\$0.60 C\$0.20 C\$0.05 C\$0.17	Jun 26, 2018 Apr 23, 2019 Sept 1, 2020 Sept 9, 2023 Feb 3, 2027	Nil Nil Nil C\$14,000 Nil	Nil	Nil	Nil

(1) Based on the difference between the exercise price of the options and the closing price of the Company's common shares on the TSX Venture Exchange on December 29, 2017 of C\$0.07.

(2) The Company has not granted any share-based awards.

Incentive Plan Awards – Value Vested or Earned During the Year

No incentive plan awards that were previously granted to directors who were not NEOs vested during the year ended December 31, 2017.

8,400,000 stock options were granted to directors who were not NEOs during the year ended December 31, 2017, however, because the exercise price of these options was equal to or greater than the market price of the Common Shares on the date of vesting, the value vested or earned was nil.