

EXECUTIVE COMPENSATION

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

- (a) the Company’s CEO;
- (b) the Company’s CFO;
- (c) the Company’s President;
- (d) each of the Company’s three most highly compensated executive officers, 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, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the December 31, 2019 year end; and
- (e) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at December 31, 2019.

During the financial year ended December 31, 2019, the Company had three Named Executive Officers, C. Geoffrey Hampson, the Company’s CEO, Chairman and former President, Ian Harris, the Company’s President and Tim Lallas, the Company’s CFO.

Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company to each Named Executive Officer and director of the Company during the Company’s two most recent financial years ended December 31, 2018 and December 31, 2019.

Table of compensation excluding compensation securities							
Name and Position	Year Ended	Salary. Consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites ⁽¹⁾ (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
C. Geoffrey Hampson Chairman and Director ⁽²⁾	2019	US\$293,509 (C\$389,457 equivalent)	Nil	Nil	Nil	Nil	389,457
	2018	US\$188,000 (C\$243,592 equivalent)	Nil	Nil	Nil	378,860	622,452
Timothy Lallas CFO	2019	180,000	Nil	Nil	Nil	12,498	192,498
	2018	180,000	Nil	Nil	Nil	25,204	205,204

Ian Harris Former President and Director ⁽³⁾	2019	US\$240,000 (C\$318,456)	Nil	Nil	Nil	24,996	343,452
	2018	US\$240,000 (C\$310,968)	Nil	Nil	Nil	124,978	435,946
James Randall Martin Former COO and Director ⁽⁴⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	US\$20,000 (C\$25,914)	Nil	Nil	Nil	7,499	33,413
Glenn Walsh Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Ioannis Tsitos Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	14,997	14,997
Larry Timlick Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	14,997	14,997

Notes:

- (1) The value of perquisites and benefits, if any, was less than \$15,000.
- (2) Mr. Hampson was appointed Executive Chairman on February 19, 2020 (when he ceased to be CEO).
- (3) Mr. Harris resigned as President and Director subsequent to year-end on February 19, 2020.
- (4) Mr. Martin resigned as Director on September 13, 2019 and as COO on February 19, 2020.

Stock Options and Other Compensation Securities

During the financial year ended December 31, 2019, no directors or officers were granted stock options. However, certain directors and officers held stock options granted in previous years.

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	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

C. Geoffrey Hampson Chairman and Director ⁽²⁾	Stock Options	See notes below for prior year grants	No 2019 grant				
Ian Harris Former President and Director ⁽³⁾	Stock Options	See notes below for prior year grants	No 2019 grant				
Larry Timlick Director ⁽⁵⁾	Stock Options	See notes below for prior year grants	No 2019 grant				
Glenn Walsh Director ⁽⁵⁾	Stock Options	See notes below for prior year grants	No 2019 grant				
James Randall Martin Former COO and Director ⁽⁶⁾	Stock Options	See notes below for prior year grants	No 2019 grant				
Ioannis Tsitos Director ⁽⁷⁾	Stock Options	See notes below for prior year grants	No 2019 grant				
Timothy Lallas CFO ⁽⁸⁾	Stock Options	See notes below for prior year grants	No 2019 grant				

Notes:

- (1) All stock options are fully-vested. One common share is issuable on the exercise of each stock option. 8,910,000 stock options were outstanding as at December 31, 2019. Subsequent to year end, in May 2020, the Company consolidated its share capital on a 10:1 basis, therefore the numbers noted below are the pre-consolidation numbers and exercise prices as at December 31, 2019.
- (2) On December 31, 2019, Mr. Hampson held stock options exercisable as follows: 200,000 at \$0.05 until January 13, 2020; 400,000 at \$0.09 until January 28, 2021; 300,000 at \$0.22 until October 28, 2021 and 100,000 at \$0.15 until December 14, 2022 and 2,000,000 at \$0.23 until February 20, 2023.
- (3) On December 31, 2019, Mr. Harris held stock options exercisable as follows: 1,000,000 at \$0.15 until December 14, 2022.
- (4) On December 31, 2019, Mr. Timlick held stock options exercisable as follows: 200,000 at \$0.05 until January 13, 2020; 100,000 at \$0.09 until January 28, 2021 and 100,000 at \$0.15 until December 14, 2022.
- (5) On December 31, 2019, Mr. Walsh held stock options exercisable as follows: 200,000 at \$0.22 until October 28, 2021.
- (7) On December 31, 2019, Mr. Martin held stock options exercisable as follows: 200,000 at \$0.22 until October 28, 2021 and 50,000 at \$0.15 until December 14, 2022.
- (8) On December 31, 2019, Mr. Tsitos held stock options exercisable as follows: 100,000 at \$0.09 until January 28, 2021 and 100,000 at \$0.15 until December 14, 2022.
- (9) On December 31, 2019, Mr. Lallas held stock options exercisable as follows: 300,000 at \$0.15 until December 14, 2022.

Exercise of Compensation Securities by Directors and NEOs

During the financial year ended December 31, 2019, no directors or officers exercised stock options.

Employment, Consulting and Management agreements

The CEO compensation was provided under a Consultancy and Management Agreement, entered into on January 1, 2016 by the Company and Hampson Equities Ltd. (“Hampson Equities”), a company wholly owned by C. Geoffrey Hampson whereby Hampson Equities agreed to provide the services of Mr. Hampson to act as President and Chief Executive Officer of the Company. Services provided to the Company include the services of Andrea Laird to act in the capacity of Administrator and Corporate Secretary, the services of Aziz Rehman as Staff Accountant and all office rent, offices supplies, communication and other management services as may be needed from time to time collectively, “the Management Team”. In consideration, the Company agreed, among other terms, to pay Hampson Equities a monthly fee of USD \$25,000. This fee was reduced to USD \$18,550 in the financial year ended December 31, 2018. The Company may terminate such agreement, and all accrued and unpaid consulting fees to the date of termination of the agreement must be paid and all unpaid expenses incurred in accordance with the agreement up to the date of termination of the agreement must be paid.

Oversight and Description of Director and Named Executive Officer Compensation

Director Compensation

The Company currently does not pay directors who are not employees or officers of the Company for attending directors’ meetings or for serving on committees. The Company has no arrangements, standard for otherwise, pursuant to which directors are 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. None of the Company’s directors have received any cash compensation for services provided in their capacity as directors during the Company’s most recently completed financial year.

Named Executive Officer Compensation

Remuneration plays an important role in attracting, motivating, rewarding, and retaining knowledgeable and skilled individuals to the Company’s management team. The Company does not have a formal compensation policy. The main objectives the Company hopes to achieve through its compensation are:

- to attract and retain executives critical to the Company’s success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value;
- to motivate the Company’s management team to meet or exceed targets.
- to recognize the contribution of executive directors to the overall success and strategic growth of the Company; and
- to align the interests of management and Company’s shareholders by providing performance-based compensation in addition to salary.

The Company's board of directors determines an appropriate amount of compensation for its executives, reflecting the need to provide incentive and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Company. The board of directors did not consider the implications of the risks associated with the Company's compensation practices; however, given the Company's size and nature of compensation provided to its executives in the last fiscal year, the board of directors does not view significant risk that would be likely to have a material adverse effect on the Company.