

COPPERNICO METALS INC.
(the “Company” or Coppernico”)
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STATEMENT OF EXECUTIVE COMPENSATION OF THE COMPANY
For the year ended December 31, 2023

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* and sets forth compensation for each “Named Executive Officer” (“NEO”) and director for the financial year ending December 31, 2023 and is effective June 26, 2024. (\$=CAD).

General

The following individuals are the Company’s NEOs:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as either the chief executive officer (“CEO”) or the chief financial officer (“CFO”), including an individual performing functions similar to a CEO or CFO;
- (b) in respect of the Company and its subsidiaries, the three most highly compensated executive officers other than the individuals identified in paragraph (a) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year; and
- (c) each individual who would be a NEO under paragraph (b) 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.

Oversight and Description of Director and NEO Compensation

Elements of the Compensation Program

Coppernico is an expenditures-based junior exploration company with no revenues. Its business activities include investigating and acquiring mineral properties and conducting exploration programs. Its value proposition to investors lies in finding a mineral project and after enhancing its value through exploration, selling or partnering it with a major. As a result, the Board of Directors (the “**Board**”) must consider not only the financial situation of Coppernico at the time of determining executive compensation, but also the estimated financial situation of Coppernico over the projected period of exploration which is hard to predict as it is success contingent.

The Company has established a compensation committee of the Board (the “**Compensation Committee**”) whose function is to assist the Board in carrying out its responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives. Director compensation is reviewed annually by the Compensation Committee and adjustments recommended if appropriate, followed by Board review. Upon the Company’s adoption of the long-term equity incentive plan (“**LTI Plan**”), as approved by the Board on May 22, 2024, the Compensation Committee will be responsible for recommending the granting of equity-based awards in such amounts and upon such terms

as may be approved by the Board from time to time in compliance with any relevant regulatory policies or requirements.

The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for senior management of the Company although the Compensation Committee guides it in this role. The Compensation Committee reviews peer compensation market information on executive compensation levels as compiled by the Company's management.

Philosophy and Objectives

The Company's compensation policies and programs are designed to be competitive with similar sized junior exploration mining companies, to recognize and reward executive performance consistent with the success of the Company's business and to achieve certain objectives, including to:

- (i) attract and retain experienced and talented mining executive officers;
- (ii) incentivize excellence in the performance of executive officers; and
- (iii) align shareholder and executive officer interests.

In compensating its senior management, the Company employs a combination of base salary, and discretionary bonus and equity incentive compensation.

The Compensation Committee bases its compensation recommendations to the Board on a review of publicly available peer and market information. The Company did not engage outside compensation consultants to determine the NEOs' compensation during the year ended December 31, 2023, or in previous years.

The Compensation Committee has considered the implications of the risks associated with the Company's compensation policies and practices, in that it does not incentivize management for events or circumstances which either give rise to conflicts-of-interest or where achievements could reverse and make the related compensation become or appear inappropriate or which necessitates a claw-back. The Compensation Committee monitors the market and considers risk assessments commensurate with the Company's market position.

A number of factors are considered by the Compensation Committee and the Board when determining NEO compensation, including:

- the NEO's individual contribution to the success of the Company and the assessment of each NEO's individual performance;
- the long-term interests of the Company and its shareholders particularly acquiring strategic mineral prospects and exploration success;
- the NEO's responsibilities, achievement of specific goals, length of service and levels of compensation being provided by industry competitors to their own management; and
- the overall operational performance and financial position of the Company.

Base Salary

In the Board's view, paying base 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 within the industry is compiled from a review of public information about its peers. In selecting peer group companies, the Compensation Committee primarily looks for public companies that are comparable in terms of business and size (using the estimated market

capitalization for Copernico), and more specifically have similarities with: the fundraising requirements for exploration activities; their executive team based in Vancouver, Canada; Spanish speaking skills; copper exploration experience; experience in South American mineral exploration and extraction; and experience with business management and contract negotiation in the mineral exploration field.

Base salaries are reviewed annually by the Compensation Committee and adjustments recommended if deemed appropriate, followed by Board review.

Short-Term Incentive Compensation

The Company's objective is to make astute property acquisitions, secure access for exploration and attract investment capital and partners. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives. Milestones and goals are set by the Compensation Committee in consultation with senior management in the first quarter of a calendar year and include minimal operational protections such as ensuring that there are sufficient cash resources for operations. Key performance indicators include personnel and local community safety, environmental compliance, exploration efficiency, accuracy of budgeting and disclosure controls. The Board appreciates exploration is inherently risky and that executives cannot be expected to consistently "produce" good exploration results.

During 2023, the Board approved short-term incentive compensation awards in relation to the NEO performance in 2022 as outlined in the table below which amounts were or will be paid in 2023 or 2024. The Company did not award any bonuses for 2023.

Share Options

During the fiscal year ended December 31, 2023, no option-based awards were granted or outstanding.

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Accordingly, the Company has adopted the **LTI Plan** as approved by the Board on May 22, 2024, and filed on SEDAR+ May 23, 2024.

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, and none are planned.

Management Contracts and Shared Services Affiliate, Universal Mineral Services Ltd. ("UMS")

There are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company. The Company shares some administrative and technical personnel services under a shared services agreement with UMS (the "**UMS Shared Services Agreement**") but these services are in support of the management personnel disclosed herein and not in lieu of them. Under the UMS Shared Services Agreement, the Company's CFO and VP, Exploration are employed by UMS and have entered into secondment employment arrangements between the Company and UMS. As indirect service providers to the Company, employees of UMS will be eligible for participation in stock options only under the Company's LTI Plan (they may qualify for other types of awards if they also qualify under another category such as being an officer of the Company).

Director and NEO Compensation

The following table of compensation provides a summary of the compensation paid (or payable) by the Company to NEOs and directors of the Company for the two most recently completed financial years ended December 31, 2023 and December 31, 2022.

During the year ended December 31, 2023, the NEOs of the Company were Ivan Bebek, President and CEO; Elizabeth Senez, CFO, Tim Kingsley, VP, Exploration, and Christian Rios, SVP, Corporate Development. The Directors of the Company were Ivan Bebek, Shawn Wallace, Steve Cook, Jeffrey Mason, Gordon Fretwell, Marie-Hélène Turgeon and Antonio Arribas. Effective December 31, 2023, Ms. Senez resigned as CFO and was replaced by Stacy Rowa who, like Ms. Senez, is also seconded through the UMS Shared Services Agreement. On December 31, 2023, Mr. Wallace retired as a director and Chair of the Board and Mr. Bebek has taken on this role as Interim Chair. Keenan Jennings was appointed as a director effective January 10, 2024, and Mr. Cook retired as a director effective April 9, 2024.

Table of Compensation Excluding Compensation Securities						
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Ivan Bebek ⁽¹⁾ <i>President, CEO and Director</i>	2023	183,750	Nil ⁽⁵⁾	Nil	3,735	187,485
	2022	175,000	Nil	Nil	14,062	189,062
Elizabeth Senez ⁽²⁾ <i>CFO</i>	2023	78,750	25,536 ⁽⁵⁾	Nil	6,548	110,834
	2022	85,181	Nil	Nil	Nil	85,181
Oliver Foeste ⁽³⁾ <i>Interim CFO</i>	2023	27,938	Nil	Nil	Nil	1,639
	2022	Nil	Nil	Nil	Nil	Nil
Timothy Kingsley ⁽⁴⁾ <i>VP, Exploration</i>	2023	226,750	61,924 ⁽⁵⁾	Nil	3,560	292,233
	2022	170,612	Nil	Nil	Nil	170,612
Christian Rios ⁽⁶⁾ <i>SVP, Corporate Development</i>	2023	133,497	48,043	Nil	11,342	192,882
	2022	119,625	⁽⁵⁾ Nil	Nil	12,210	131,835
Shawn Wallace ⁽⁷⁾ <i>Director and Chair</i>	2023	63,000	Nil	Nil	Nil	63,000
	2022	60,000	Nil	Nil	Nil	60,000
Steve Cook ⁽⁸⁾⁽⁹⁾ <i>Director</i>	2023	28,875	Nil	Nil	Nil	28,875
	2022	27,500	Nil	Nil	Nil	27,500
Jeffrey Mason ⁽⁸⁾ <i>Director</i>	2023	15,750	Nil	Nil	Nil	15,750
	2022	15,000	Nil	Nil	Nil	15,000
Gordon Fretwell ⁽⁸⁾ <i>Director</i>	2023	15,750	Nil	Nil	Nil	15,750
	2022	15,000	Nil	Nil	Nil	15,000
Marie-Hélène Turgeon ⁽¹⁰⁾ <i>Director</i>	2023	15,750	Nil	Nil	Nil	15,750
	2022	11,301	Nil	Nil	Nil	11,301
Antonio Arribas ⁽⁸⁾ <i>Director</i>	2023	15,750	Nil	Nil	Nil	15,750
	2022	15,000	Nil	Nil	Nil	15,000

Notes:

- (1) Ivan Bebek was appointed as a director on July 23, 2020, and was appointed President and CEO of the Company on October 9, 2020 upon the spin out from the predecessor company. None of Mr. Bebek's compensation relate to his services as a director.
- (2) During 2022, Ms. Senez held fixed-term executive employment directly with the Company until she was seconded to the Company on a part time basis from April 2022. Ms. Senez took four months of parental leave from May 15, 2023 through September 15, 2023, during which Oliver Foeste, CPA, CA, of Invictus Accounting, was appointed as Interim CFO.
- (3) Invictus Accounting provided CFO and Controller coverage during Ms. Senez's parental leave for the period from May 15 to September 15, 2023. Mr. Oliver Foeste was appointed interim CFO. Total fees paid to Invictus Accounting for CFO tasks were \$27,938 including Mr. Foeste's oversight.
- (4) Mr. Kingsley was appointed as VP, Exploration effective March 7, 2022. Mr. Kingsley is employed directly by UMS and seconded to the Company in March 2022. Mr. Kingsley's compensation is paid in US dollars, and equivalents in Canadian dollars are reported based on the average exchange rate for the period which was 1.3497 for 2023 and 1.3017 for 2022.
- (5) During 2023, the Board approved bonuses for 2022 performance, payment of which was deferred until 2024. Ms. Senez was paid her awarded bonus due to her resignation effective December 31, 2023. No bonuses to NEOs were approved for the 2023 year.
- (6) Mr. Rios' salary is quoted in US dollars but paid in Peruvian soles based on the rate in effect at the time of payment. His compensation includes the mandatory amounts added to Peruvian base salaries. Canadian dollar equivalents are reported based on the average US to Canadian dollar exchange rate for the period, which was 1.3497 for 2023 and 1.3017 for 2022.

- (7) Shawn Wallace was appointed as a director on July 23, 2020 and was appointed Chair of the Board on October 9, 2020. Mr. Wallace resigned from his position as Chair and Director of the Board effective December 31, 2023.
- (8) Appointed as a director on October 9, 2020.
- (9) Mr. Cook was appointed as the Company's representative on the board of directors of UMS (the "UMS Board") on January 1, 2022, and for this additional responsibility he received an additional director fee from the Company of \$13,125 for 2023. Mr. Cook retired as a director of the Company on April 9, 2024, and Mr. Bebek is now the Company's representative on the UMS Board.
- (10) Marie Hélène Turgeon was appointed as a director on March 31, 2022.

Employment, Consulting and Management Agreements

Ivan Bebek, Chair and CEO

Mr. Ivan Bebek serves as President and CEO of the Company. Pursuant to his executive employment agreement, Mr. Bebek is entitled to a base salary, which is \$183,750 for the 2023 fiscal year. Like each NEO, he is entitled to participate in the Company's LTI Plan, as recently adopted, and in any group benefit plan(s), as the Company makes available. The Company may terminate Mr. Bebek without just cause by providing one year's notice of termination (or in the Company's sole discretion, base salary and benefits continuation in lieu of notice), plus an additional one month's notice of termination per each completed year of service, up to a maximum of six additional months, for a total of 18 months' notice of termination (or in the Company's sole discretion, base salary and benefits continuation in lieu thereof).

In the event Mr. Bebek resigns for good reason, or is terminated without just cause within 24 months after a change in control, the Company shall provide Mr. Bebek with the below immediately following the termination (the "**Date of Termination**"):

- (a) Mr. Bebek's annual salary and all accrued vacation pay earned by him to the Date of Termination;
- (b) an amount equal to two times Mr. Bebek's base salary and annual bonus;
- (c) a bonus for the year of termination prorated to the Date of Termination based on the terms of any incentive plans;
- (d) if Mr. Bebek holds any entitlements which are subject to vesting terms, all such securities will be deemed to be vested and available for immediate exercise, if allowed by the LTI Plan;
- (e) job relocation counselling services of a firm chosen by Mr. Bebek, at a cost to the Company not to exceed \$5,000; and
- (f) the Company shall continue at its cost the benefits then in effect for Mr. Bebek until the earlier of 24-months from the Date of Termination or Mr. Bebek obtaining comparable benefits through other employment, provided that if the Company is insolvent or cannot continue to provide such benefits, Mr. Bebek is entitled to receive a lump sum payment sufficient to permit the purchase of equivalent benefits for the 24-month period after the Date of Termination.

Stacy Rowa, CFO and Tim Kingsley, VP Exploration

Change of control information for the years 2022 and 2023 for the former CFO is no longer relevant as this officer left the Company's employ voluntarily effective December 31, 2023. Stacy Rowa is the current CFO. Pursuant to the UMS Shared Services Agreement, for the year ended December 31, 2024, Ms. Rowa and Mr. Kingsley are seconded to the Company by UMS on a part-time basis. The compensation of seconded personnel, including Ms. Rowa and Mr. Kingsley, is charged by UMS to the participating companies on an agreed level of time-spent basis. In addition to the cash compensation, each secondee is entitled to indirectly participate in the Company's LTI Plan, as recently adopted, participate in the Company's group benefit plan(s), as the Company makes available, and to be reimbursed by the Company for professional dues and education expenses.

In the event the Company terminates a secondment without just cause, there is no termination payment due unless UMS also terminates the secondee's employment agreement within 6 months. In such a situation, the Company would be required to reimburse UMS for its agreed share of the termination payment which is based on 12 months for Ms. Rowa or 6 months for Mr. Kingsley ("**Notice Period**") base secondment compensation. The Company is also required to continue any benefits during the Notice Period or payment in lieu thereof. Any outstanding Company equity-based awards shall continue to vest and be exercisable over the Notice Period and the secondees, including Ms. Rowa and Mr. Kingsley, will only cease to be qualified service providers for the purposes of the Company's LTI Plan at the end of the applicable Notice Period.

In the event of a change of control of the Company, followed by termination of the secondment, or resignation by any secondee, including Ms. Rowa and Mr. Kingsley for good reason, within 12 months, the Company will pay a lump sum termination fee. In the case of Ms. Rowa and Mr. Kingsley the termination fee is calculated as approximately 24 months of secondment payment made by the Company to UMS for their respective services.

Christian Rios, SVP Corporate Development

Mr. Rios was employed directly by UMS Peru and seconded to the Company throughout 2022 and up until October 31, 2023, when his contract was transferred to a direct employment contract with Sombrero Minerales S.A.C. ("Sombrero Minerales"), the Company's wholly owned subsidiary. Pursuant to his executive employment agreement with Sombrero Minerales, Mr. Rios is entitled to a monthly salary of US\$7,318. Annually Mr. Rios' compensation includes fifteen months of salaries as required by Peruvian labour laws, which includes two months for statutory bonuses and one month as compensation for time of service. Because his salary is paid in Peruvian soles, a minimum floor salary of PEN23,656 per month has been set. Mr. Rios is also entitled to standard health benefits provided in Peru and to participate in the Company's recently adopted LTI Plan.

In the event the Company terminates Mr. Rios without cause, the Company is required to pay an amount equivalent to 1.5 months of salary per year of work completed, as required by Peruvian law, plus any amounts otherwise accrued. In the event of a change of control of the Company, the Company will pay a lump sum termination fee of US\$205,000 to Mr. Rios, in addition to any other accrued amounts payable at that time.

Termination and change of control benefits

Except as described above, the Company has not entered into any contracts, agreements, plans or arrangements that provide payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

Tabular Disclosure of Termination Payments

If a triggering event (either termination without cause or qualifying termination following a change of control event) took place on the last business day of the Company's most recently completed financial year, the following gross payments would have become payable:

NEO	Compensation for Termination Without Cause	Compensation for Termination Upon Change of Control
Ivan Bebek	\$234,357	\$379,970
Tim Kingsley	\$176,873	\$506,318
Christian Rios	\$117,118	\$348,437

Ms. Senez resigned effective December 31, 2023, and as such payout disclosure is not applicable.

No External Management Companies

During the fiscal years ended December 31, 2023 and 2022, none of the executive officers or the directors of the Company were providing services to the Company as employees of an external management company. As outlined above, Ms. Senez and Mr. Kingsley were employed by UMS and seconded to the Company. Ms. Senez resigned from the Company and from UMS effective December 31, 2023.

On April 1, 2022, the Company purchased a 25% share interest in a private shared services provider company, Universal Mineral Services Ltd ("**UMS Canada**"), for \$1,000 nominal consideration. The other 75% of UMS is equally owned by three other junior resource issuers who share premises and some administrative, geological, legal and accounting personnel on a cost recovery secondment basis. UMS was until April 1, 2022 privately owned by persons who were insiders to one or more of the four participating companies. These insiders effectively transferred their interests to the participating companies for nominal consideration. The Company is of the view that the volume of dollars paid to UMS Canada make this agreement material to the Company and so it is filed at www.sedarplus.ca/ and is available for review and download by interested persons.