

TRIBECA RESOURCES CORPORATION
(the “Company”)

FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(For the Year Ended December 31, 2023)

General

The following information, dated as of June 28, 2024, is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102.

For the purposes of this Form, a “Named Executive Officer” (a “NEO”) means the following persons:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CFO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) 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.

During the financial year ended December 31, 2023, the Company had three NEOs: Dr. Paul Gow – CEO; Mr. Thomas Schmidt - President; and Mr. Nick DeMare - CFO.

During the financial year ended December 31, 2022, the Company had five NEOs: Dr. Paul Gow – CEO; Mr. Thomas Schmidt - President; Mr. Nick DeMare - CFO; Mr. Robert G. Atkinson – former Interim CEO; and the late Mr. John Nugent - former President and CEO.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the completed financial years ended December 31, 2023 and 2022. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities*” below:

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾⁽³⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
Paul Gow ⁽⁴⁾ CEO and Director	2023	150,000	Nil	Nil	Nil	Nil	150,000
	2022	27,016	Nil	Nil	Nil	Nil	27,016
Thomas Schmidt ⁽⁴⁾ President and Director	2023	150,000	Nil	Nil	Nil	Nil	150,000
	2022	27,016	Nil	Nil	Nil	Nil	27,016

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾⁽³⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
Nick DeMare CFO, Corporate Secretary and Director	2023	300,000	Nil	Nil	Nil	46,984 ⁽⁵⁾	76,984
	2022	5,413	Nil	Nil	Nil	30,920 ⁽⁵⁾	36,333
Luis Tondo ⁽⁴⁾ Director	2023	15,000	Nil	Nil	Nil	Nil	15,000
	2022	2,705	Nil	Nil	Nil	Nil	2,705
Derrick Weyrauch ⁽⁶⁾ Director	2023	625	Nil	Nil	Nil	Nil	625
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Lisa Riley ⁽⁴⁾⁽⁶⁾ Former Director	2023	48,058	Nil	Nil	Nil	Nil	48,058
	2022	2,705	Nil	Nil	Nil	Nil	2,705
Tara Gilfillan ⁽⁴⁾⁽⁶⁾ Former Director	2023	34,221	Nil	Nil	Nil	Nil	34,221
	2022	2,705	Nil	Nil	Nil	Nil	2,705
Robert G. Atkinson ⁽⁴⁾⁽⁷⁾ Former Interim CEO and former Director	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Donald Siemens ⁽⁴⁾ Former Director	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Paul DiPasquale ⁽⁴⁾ Former Director	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	Nil	Nil	Nil	Nil	Nil	Nil
John Nugent ⁽⁷⁾ Former President, former CEO and former Director	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	Nil	Nil	Nil	Nil	Nil	Nil

NOTES:

- (1) Financial years ended December 31.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Company.
- (3) See also “Management Contracts”.
- (4) On October 26, 2022, the Company completed a reverse takeover transaction (the “**RTO**”) with Tribeca Resources Holdings Ltd. (formerly Tribeca Resources Ltd.). Upon completion of the RTO, Dr. Gow, Mr. Schmidt, Ms. Riley, Ms. Gilfillan and Mr. Tondo became directors of the Company in place of Messrs. Atkinson, Siemens and DiPasquale who ceased to be directors. In addition, Dr. Gow was appointed CEO, replacing Mr. Atkinson as Interim CEO, and Mr. Schmidt was appointed President. Additional information relating to the RTO may be found in the Company’s filing statement filed on October 24, 2022.
- (5) Paid \$42,964 (2022 - \$30,300) to Chase Management Ltd. (“**Chase**”), a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, excluding the services of Mr. DeMare, and \$4,020 (2022 - \$670) for rent.
- (6) At the annual and special meeting of shareholders held December 12, 2023, Mr. Weyrauch was elected as director and Ms. Lisa Riley and Tara Gilfillan ceased to be directors.
- (7) Mr. Atkinson was appointed interim CEO on March 6, 2022 to fill the vacancy created by the passing of Mr. Nugent.

Stock Options and Other Compensation Securities

The following table of compensation securities provides a summary of compensation securities granted or issued by the Company to the NEOs and directors of the Company, current or former, for the financial year ended December 31, 2023, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$) ⁽⁴⁾	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽²⁾	Expiry Date
Paul Gow CEO and Director	Stock Options ⁽³⁾	Nil	N/A	N/A	N/A	N/A	N/A
Thomas Schmidt President and Director	Stock Options ⁽³⁾	Nil	N/A	N/A	N/A	N/A	N/A
Nick DeMare CFO, Corporate Secretary and Director	Stock Options ⁽⁴⁾	Nil	N/A	N/A	N/A	N/A	N/A
Luis Tondo Director	Stock Options ⁽⁵⁾	Nil	N/A	N/A	N/A	N/A	N/A
Derrick Weyrauch Director	Stock Options ⁽⁶⁾	125,000	Dec 12/23	\$0.26	\$0.25	\$0.25	Dec 12/28
Lisa Riley Former Director	Stock Options ⁽⁷⁾	Nil	N/A	N/A	N/A	N/A	N/A
Tara Gilfillan Former Director	Stock Options ⁽⁸⁾	Nil	N/A	N/A	N/A	N/A	N/A

NOTES:

- (1) Presented on a post-consolidation basis. In connection with the RTO, the Company completed a consolidation of its common shares on the basis of one post-consolidation common share for every five pre-consolidation shares.
- (2) Market value of the securities underlying the stock options on December 29, 2023, being the last trading day of the Company's common shares for the financial year.
- (3) As at December 31, 2023, Paul Gow and Thomas Schmidt each held 400,000 stock options of the Company entitling them to acquire, upon exercise, 400,000 common shares each in the capital of the Company. As at December 31, 2023, 133,333 of these stock options were vested.
- (4) As at December 31, 2023, Nick DeMare held 280,000 stock options of the Company, including 120,000 stock options granted to Chase, entitling him to acquire, upon exercise, 280,000 common shares in the capital of the Company. As at December 31, 2023, 180,000 of these stock options were vested.
- (5) As at December 31, 2023, Luis Tondo held 125,000 stock options of the Company entitling them to acquire, upon exercise, 125,000 common shares each in the capital of the Company. As at December 31, 2023, 41,666 of these stock options were vested.
- (6) As at December 31, 2023, Derrick Weyrauch held 125,000 stock options of the Company entitling him to acquire, upon exercise, 125,000 common shares in the capital of the Company. As at December 31, 2023, none of these stock options were vested.
- (7) Lisa Riley ceased to be a director on December 12, 2023 and forfeited 83,334 of 125,000 stock options previously held. As at December 31, 2023, Lisa Riley held 41,666 stock options of the Company entitling her to acquire, upon exercise, 41,666 common shares each in the capital of the Company. As at December 31, 2023, all of these stock options were vested. These options expired on March 12, 2024 without exercise.
- (8) Tara Gilfillan ceased to be a director on December 12, 2023 and forfeited 74,562 of 125,000 stock options previously held. As at December 31, 2023, Ms. Gilfillan held 50,438 stock options of the Company entitling her to acquire, upon exercise, 50,438 common shares each in the capital of the Company. As at December 31, 2023, 41,666 of these stock options were vested.

No compensation securities were exercised by the current or former NEOs and directors of the Company during the financial year ended December 31, 2023.

Stock Option Plan and Other Incentive Plans

On October 26, 2022 the Company adopted a new "rolling" 10% long-term incentive plan (the "**Incentive Plan**") to replace the previous stock option plan in place since 2017.

The purpose of the Incentive Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons (as defined below); (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award (as defined below) is granted.

The Incentive Plan shall provide for the award of Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Deferred Share Units ("**DSUs**"), Stock Appreciation Rights ("**SARs**") and options to purchase common shares of the Company ("**Options**" and together with RSUs, PSUs, DSUs and SARs, "**Awards**") to Directors, Officers, Employees, Management Company Employees and Consultants (as such terms are defined by Policy 4.4 – Security Based Compensation ("**Exchange Policy 4.4**") of the TSX Venture Exchange (the "**Exchange**") of the Company or a subsidiary of the Company, or an Eligible Charitable Organization (as defined by Exchange Policy 4.4) (collectively, "**Eligible Persons**"), as further described in the following summary. The Awards issuable to any participant (a "**Participant**") under the Incentive Plan shall be hereinafter referred to as "**Incentive Securities**".

All capitalized terms used but not defined in this section have the meaning ascribed thereto in the Incentive Plan.

Plan Administration

The Incentive Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on any Participants of the Incentive Plan and the Company, subject to any required approval of the Exchange.

Shares Available for Awards

Unless otherwise approved by the Exchange and the shareholders of the Company (disinterested, if required) from time to time, the maximum aggregate number of common shares issuable in respect of all Incentive Securities granted or issued under the Company's Security Based Compensation Plans (as defined under Exchange Policy 4.4), at any point, shall not exceed ten percent (10%) of the total number of issued and outstanding common shares on a non-diluted basis at such point in time. For greater certainty, this limitation applies to all Incentive Securities granted or issued under the Company's Security Based Compensation Plans at any point in time, including those held by Insiders (as a group, as defined under Exchange Policy 4.4) at any point in time.

Participation Limits

The Incentive Plan provides the following limitations on grants:

- (a) The aggregate number of common shares issuable to any one consultant in any twelve (12) month period in respect of Incentive Securities shall not exceed two percent (2%) of the issued and outstanding common shares on a non-diluted basis, calculated at the date an Award is granted to the consultant.
- (b) The aggregate number of common shares issuable to any one person in any twelve (12) month period in respect of Incentive Securities shall not exceed five percent (5%) of the issued and outstanding common shares on a non-diluted basis, calculated on the date an Award is granted to the person, unless the Company has obtained the requisite disinterested shareholder approval.
- (c) The aggregate number of common shares issuable to all Insiders (as a group) in any twelve (12) month period in respect of Incentive Securities, shall not exceed ten (10%) of the issued and outstanding common shares on a non-diluted basis, calculated on the date an Award is granted to a particular Insider, unless the Company has obtained the requisite disinterested shareholder approval.
- (d) Eligible Persons who are Investor Relations Service Providers (as defined in Exchange Policy 4.4) may only receive Options as Awards under the Incentive Plan (if the common shares are listed on the Exchange) and the

aggregate number of common shares issuable to all Investor Relations Service Providers in respect of Incentive Securities in any twelve (12) month period shall not exceed two percent (2%) of the issued and outstanding common shares on a non-diluted basis, calculated on the date an Award is granted to the Investor Relations Service Provider.

- (e) Eligible Persons who are Eligible Charitable Organizations may only receive Options as Awards under the Incentive Plan (if the common shares are listed on the Exchange) and the aggregate number of common shares issuable to all Eligible Charitable Organizations at any point in time in respect of Incentive Securities shall not exceed one (1%) of the issued and outstanding common shares on a non-diluted basis at such point in time. Options granted to Eligible Charitable Organizations will not be included in the other limits set out in the Incentive Plan.

Eligibility and Participation

Subject to the provisions of the Incentive Plan (including, without limitation, restrictions on grants to Investor Relations Service Providers and Eligible Charitable Organizations) and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards to all categories of Eligible Persons.

General Vesting Requirement

No Award granted or issued under the Incentive Plan, other than Options, may vest before the date that is one year following the date it is granted or issued. Subject to the approval of the Exchange with respect to Awards held by Investor Relations Service Providers, vesting may be accelerated by the Board for Awards held by a Participant in the event of death or who ceases to be an Eligible Person under the Incentive Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction. All Options granted to Investor Relations Service Providers must vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting and becoming exercisable in any three (3) month period.

Description of RSUs

A RSU is an Award that is a bonus for services rendered in the year of grant that, upon settlement, entitles the recipient Participant to receive a number of common shares equal to the number of RSUs credited to a Participant's account on certain vesting dates.

RSUs shall be subject to such restrictions as the Board, in its discretion, may establish or determine in the applicable Award agreement or at the time an Award is granted. Unless otherwise provided for in an Award agreement, all RSUs will vest and become payable by the issuance of common shares at the end of the restricted period as specified by the Board in the applicable Award agreement. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested.

Effect of Termination on RSUs

Except as otherwise set forth in an applicable Award agreement and subject to the provisions of the Incentive Plan, RSUs shall be subject to the following conditions:

Death: Upon death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the Incentive Plan.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to such Participant will be immediately and automatically forfeited and cancelled.

Termination of Employment or Service for Cause, Voluntary Termination, Retirement or Disability: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement or due to disability, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach or due to disability, any RSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Incentive Plan.

Directorships: Where a Participant ceases to be a director for any reason, any RSUs granted to such Participant which, prior to cessation, have not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to cessation, have vested, will accrue to the Participant in accordance with the provisions of the Incentive Plan.

Description of PSUs

A PSU is an Award that is awarded based on the attainment of performance criteria within a certain period, which criteria and period shall be selected, settled and determined by the Board. An Award agreement may provide the Board with the right during a Performance Cycle (as defined in the Incentive Plan) or after it has ended, to revise Performance Criteria (as defined in the Incentive Plan) and Award amounts if unforeseen events occur.

All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for a Performance Cycle, as determined by the Board. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all PSUs shall become fully vested.

Effect of Termination on PSUs

Except as otherwise set forth in an applicable Award agreement and subject to the provisions of the Incentive Plan, PSUs shall be subject to the following conditions:

Death: Upon death of a Participant, any PSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the Incentive Plan.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to such Participant will be immediately and automatically forfeited and cancelled.

Termination of Employment or Service for Cause, Voluntary Termination, Retirement or Disability: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement or due to disability, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach or due to disability, any PSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Incentive Plan.

Directorships: Where a Participant ceases to be a director for any reason, any PSUs granted to such Participant which, prior to cessation, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to cessation, had vested, will accrue to the Participant in accordance with the provisions of the Incentive Plan.

Description of DSUs

A DSU is an Award that is payable after the effective date that a Participant ceases to be an Eligible Person under the Incentive Plan, subject to certain vesting criteria. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all DSUs shall become fully vested.

The payment of DSUs will occur on the date that is designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day, or such earlier date as the Participant and the Company may agree. If no notice is given by the Participant for a designated day, the DSUs shall be payable on the first anniversary of the date on which the Participant ceases to be an Eligible Person for any reason or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant.

Election by Directors - DSUs

Under the Incentive Plan, directors may elect to receive directorship fees in the form of DSUs which election must be made within certain timeframes as specified in the Incentive Plan. In case of an election by a director, the number of DSUs to be credited shall be determined by dividing applicable directorship fees with the Market Price (as defined in the Incentive Plan) on the grant date of the DSUs or if more appropriate, another trading range that best represents the period for which the DSUs were earned (subject to minimum pricing requirements under Exchange policies). No fractional DSUs shall be credited to any director.

Description of Options

An Option is an Award that gives a Participant the right to purchase one common share at a specified price in accordance with the terms of the Option and the Incentive Plan. The exercise price of the Options shall be determined by the Board at the time the Option is granted but in no event shall such exercise price be lower than the discounted Market Price permitted by the Exchange.

The maximum term of any Option shall not exceed ten (10) years and the Board shall determine the vesting, performance and other conditions, if any, that must be satisfied before all or part of an Option may be exercised, subject to any vesting restrictions set out in Exchange Policy 4.4. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all Options shall become fully vested except for Options held by Investor Relations Service Providers which acceleration is subject to acceptance of the Exchange.

Options will be exercised pursuant to their applicable Award agreement which exercise shall be contingent upon receipt by the Company of a written notice of exercise set forth in the applicable Award agreement and of a form of cash payment acceptable to the Company for the full purchase price of the common shares to be issued.

Effect of Termination on Options

Except as otherwise set forth in an applicable Award agreement and subject to the provisions of the Incentive Plan, Options shall be subject to the following conditions:

Death: Upon death of a Participant, any Options held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of one year after the date of death or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of death of such Participant.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option shall be exercisable from the date of termination as determined by the Board.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Options held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of termination.

Disability: Where a Participant's employment or consulting agreement is terminated by the Company or a subsidiary of the Company due to disability, any Options held by such Participant at the date of termination shall be exercisable for a period of 120 days after the date of termination determined by the Board or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of termination.

Directorships: Where a Participant ceases to be a director for any reason, any Options held by such Participant on such cessation date shall be exercisable for a period of 90 days (120 days in case of termination due to disability) after such cessation date or prior to the expiration of the Option, whichever is sooner, only to the extent the director was entitled to exercise the Option at the cessation date.

Description of SARs

A SAR is an Award that gives a Participant the right to receive payment equal to the excess of the Market Price at the date which a SAR is exercised over the applicable grant price of a SAR. The grant price of a SAR shall be determined by the Board at the time the SAR is granted, which in no event shall be lower than the discounted Market Price permitted by the Exchange. Where a SAR is granted in relation to an Option, it shall be a right in respect of the same number of common shares and the grant price shall be the same as the exercise price of the Option it is granted in relation to. The actual number of common shares to be granted to the Participant upon payment of a SAR shall be the aggregate SAR excess amount (Market Price at the date of exercise over grant price of a SAR) divided by the Market Price at the time of exercise.

The maximum term of any SAR shall not exceed ten (10) years and the Board shall determine the vesting, settlement and other terms of any SAR. SARs granted in relation to an Option shall only be exercisable at the same time and to the same extent the related Option is exercisable. In the sole discretion of the Board, the Award agreement for a SAR may provide that the Company may elect to satisfy the exercise of a SAR by paying to the Participant cash in the amount equal to the SAR excess amount in lieu of common shares.

SARs will be exercised pursuant to their applicable Award agreement which exercise shall be contingent upon receipt by the Company of a written notice of exercise set forth in the applicable Award agreement. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all SARs shall become fully vested, subject to the policies of the Exchange.

Effect of Termination on SARs

Except as otherwise set forth in an applicable Award agreement and subject to the provisions of the Incentive Plan, SARs shall be subject to the following conditions:

Death: Upon death of a Participant, any SARs held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of one year after the date of death or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of death of such Participant.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR shall be exercisable from the date of termination as determined by the Board.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SARs held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of termination.

Disability: Where a Participant's employment or consulting agreement is terminated by the Company or a subsidiary of the Company due to disability, any SARs held by such Participant at the date of termination shall be exercisable for a period of 120 days after the date of termination determined by the Board or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of termination.

Directorships: Where a Participant ceases to be a director for any reason, any SARs held by such Participant on such cessation date shall be exercisable for a period of 90 days (120 days in case of termination by disability) after the cessation date or prior to the expiration of the SAR, whichever is sooner, only to the extent the director was entitled to exercise the SAR at the cessation date.

Non-Transferability of Awards

No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

Amendment and Termination of the New Long-Term Incentive Plan

The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue the Incentive Plan and may amend the terms and conditions of any Awards granted thereunder, subject to (a) any required approval of any applicable regulatory authority or Exchange, and (b) any required approval of shareholders in accordance with Exchange Policy 4.4 or applicable law. Without limitation, shareholder approval shall not be required for the following amendments:

- (a) amendments to fix typographical errors;
- (b) amendments to clarify existing provisions of the Incentive Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
- (c) amendments that are necessary to comply with applicable law or the requirements of the Exchange.

Employment, Consulting and Management Agreements

Other than as disclosed herein, management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

Oversight and Description of Director and NEO Compensation

Compensation, Philosophy and Objectives

The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Company's compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all NEOs, as hereinafter defined, is fair and reasonable. The Board as a whole recommends levels of executive compensation that are competitive, motivating and commensurate with the time spent by executive officers in meeting their obligations. While the Board does not have direct experience related to executive compensation, the Board relies on their experience as officers and directors.

Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Company.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's Incentive Plan. A description of the significant terms of the Incentive Plan is found under the heading "*Stock Option Plan and Other Incentive Plans*".

The Company does not determine executive compensation based on the share price performance. Overall the salaries or consulting fees payable to the NEOs, in particular to the Company's CEO, have had a minor upward trend in order to provide competitive levels of compensation necessary to attract and maintain executive talent.

The Board has considered the implications of the risks associated with the Company's compensation practices. The Board acknowledges that the Company, as a junior natural resource company, does not presently generate any revenues, and that all management compensation to date has been derived solely from cash in the Company's treasury, acquired by way of equity financings to date, and the grant of incentive stock options to directors, management, contractors and employees. Salary compensation to the NEOs is provided for under verbal understandings or written consulting agreements with the NEOs or management companies under their control. Upon the occurrence of certain events, the Company's early

termination of these contracts may also trigger additional balloon payments, which could adversely impact the Company's working capital.

Option-Based Awards

The Company adopted the Incentive Plan in October 2022. The Company's directors, employees, officers and certain consultants are entitled to participate in the Incentive Plan. The Incentive Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Incentive Plan aligns the interests of the NEOs and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

Options are granted by the Board. In monitoring or adjusting the option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the NEOs and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- parties who are entitled to participate in the Incentive Plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than the prescribed discount permitted by the Exchange from the market price on the date of grant;
- the date on which each option is granted;
- the vesting period, if any, for each stock option;
- the other material terms and conditions of each stock option grant; and
- any re pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Incentive Plan. The Board reviews and approves grants of options on an annual basis and periodically during a financial year.

There are no restrictions on NEOs or Directors regarding the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars or units or 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 for the financial year ended December 31, 2023.

No NEO or Director, directly or indirectly, purchased any financial instruments or employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Termination and Change of Control Benefits

The Company does not have any plan contract, agreement or plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, a change in control of the Company or a change in the NEO's responsibilities.

Pension Plan Benefits

The Company does not have any form of pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.