

**FUSION GOLD LTD.**  
Suite 1400 – 400 Burrard Street  
Vancouver, BC V6C 3A6

**FORM 51-102F6V - STATEMENT OF EXECUTIVE COMPENSATION**  
*(For the year ended December 31, 2019)*

**Compensation Discussion and Analysis**

As of the date of this Statement of Executive Compensation (“**Statement**”), Fusion Gold Ltd. (“**Fusion**” or the “**Company**”) is designated as a Capital Pool Company (“**CPC**”), under TSX Venture Exchange (the “**TSXV**”) policies, and as such it is not permitted to compensate its Directors and Named Executive Officers (“**Named Executive Officers**” or “**NEOs**”) until such time as it has completed its qualifying transaction (the “**Qualifying Transaction**”), as defined under TSXV policies. Accordingly, other than option-based awards pursuant to the Company’s stock option plan (the “**Stock Option Plan**”), the Company does not have any long-term incentive plans, including any supplemental executive retirement plans.

Following completion of the Qualifying Transaction, the objectives of the Company’s compensation program will be to attract, hold and inspire performance by members of senior management of a quality and nature that will enhance the growth of the Company. The independent Directors of the Company will have the responsibility for determining compensation for Named Executive Officers and other senior executives of the Company, as well as the directors of the Company.

To determine future compensation payable, the independent Directors will review compensation paid to Named Executive Officers and other senior executives of companies of a similar size and stage of development in the Company’s industry sector and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the NEOs while taking into account the financial and other resources of the Company. It is expected that the Company’s executive compensation program will be comprised of a combination of the following: an annual base salary, and, where appropriate, incentive stock options (“**Stock Options**”). The Stock Option award component of the program will be designed to reward long term commitment of executives to sustainable growth of the Company and annual salary ranges will be based on the level of responsibility and the importance of the executive’s position to the Company’s future objectives, the level of experience of the executive officer, and competitiveness with the base salaries paid by comparative companies.

***Stock Option Plan***

The Stock Option Plan is designed to advance the interests of the Company by encouraging eligible participants, being Directors, NEOs and technical consultants (prior to completion of a Qualifying Transaction), to have equity participation in the Company through the acquisition of shares of the Company.

The Stock Option Plan is used to provide share purchase options which are awarded based on the recommendations of the independent Directors, taking into account the level of responsibility of the executive as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer-term operating performance of the Company. In determining the number of Stock Options to be granted to the Company’s NEOs and Directors, the Board of Directors of the Company (the “**Board**”) takes into account the number of Stock Options, if any, previously granted to each NEO and Director, and the exercise price of any outstanding Stock Options to ensure that such grants are in accordance with the policies of the TSXV and to closely align the interests of NEOs with the interests of Shareholders. The material terms of the Company’s Stock Option Plan are as follows:

- The Board determines the vesting provisions of all Stock Option grants at the time of the grant;
- The options have a maximum term of ten years from the date of grant;

- At the time of grant of any Stock Option, the aggregate number of the Company's shares reserved for issuance under the Stock Option Plan: (a) prior to the completion of the Qualifying Transaction, the aggregate number of shares issuable upon exercise of Stock Options shall not exceed 620,000; and (b) upon the completion of the Qualifying Transaction, the aggregate number of Shares issuable upon exercise of Stock Options shall not exceed 10% of the total number of issued and outstanding shares of the Company, on a non-diluted basis, as constituted on the date of grant of such Stock Option.

The Stock Option Plan was approved by Shareholders at the annual general meeting of the Company held on May 1, 2019 and will be put forth for approval again at the 2020 annual general meeting as per TSXV requirements.

### ***Compensation Risk Assessment and Governance***

In light of the Company's size and limited elements of executive compensation, the Board does not have a Compensation Committee and does not deem it necessary to consider at this time the implications of the risks associated with the Company's compensation policies and practices.

As previously mentioned, Stock Options are granted to retain NEOs and motivate the NEOs by rewarding sustained, long-term development and growth that will result in increases in share value. There is no formal process for assessing when Stock Options are to be granted, rather they are granted at a time determined necessary by the Board, in its discretion, and are based on the fair market-value at the time of grant.

The Company does not permit its NEOs or Directors to hedge any of the equity compensation granted to them.

### ***Named Executive Officers***

For the purposes of the "Statement of Executive Compensation" section in this Circular, a Named Executive Officer of the Company means each of the following individuals:

- (a) the Chief Executive Officer of the Company ("**CEO**");
- (b) the Chief Financial Officer of the Company ("**CFO**");
- (c) the former President of the Company ("**President**");
- (d) the most highly compensated executive officer of the Company other than the individuals identified in paragraph (a) above, at December 31, 2019, whose total compensation was more than \$150,000; and
- (e) each individual who would be named an executive officer 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 December 31, 2019.

(collectively the "**Named Executive Officers**" or "**NEOs**").

### **Director and Named Executive Officer Compensation**

The following tables set forth the information required under Form 51-102F6V, Statement of Executive Compensation – Venture Issuers, regarding all compensation paid, payable, awarded, granted, given, or otherwise provided during the Company's most recently completed financial year, being the year ended December 31, 2019, to all persons acting as Directors or as NEOs.

*Excluding Compensation Securities*

The following table sets forth a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons, for the two most recently completed financial years, *excluding compensation securities*:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
<i>Name and Position</i>	<i>Year</i>	<i>Salary, Consulting Fee, Retainer or Commission (\$)</i>	<i>Bonus (\$)</i>	<i>Committee or Meeting Fees (\$)</i>	<i>Value of Perquisites (\$)</i>	<i>Value of all Other Compensation (\$)</i>	<i>Total Compensation (\$)</i>
January Vandale <sup>(1)</sup> <i>CEO/Director</i>	2019	NIL	NIL	NIL	NIL	NIL	NIL
	2018	NIL	NIL	NIL	NIL	NIL	NIL
Victoria J. McMillan <sup>(2)</sup> <i>CFO</i>	2019	NIL	NIL	NIL	NIL	NIL	NIL
	2018	NIL	NIL	NIL	NIL	NIL	NIL
Marcel de Groot <sup>(3)</sup> <i>Former President/Former Director</i>	2019	N/A	N/A	N/A	N/A	N/A	N/A
	2018	NIL	NIL	NIL	N/A	NIL	NIL
David E. De Witt <sup>(4)</sup> <i>Director</i>	2019	NIL	NIL	NIL	NIL	NIL	NIL
	2018	NIL	NIL	NIL	NIL	NIL	NIL
Christopher R. Cooper <sup>(5)</sup> <i>Director</i>	2019	NIL	NIL	NIL	NIL	NIL	NIL
	2018	NIL	NIL	NIL	NIL	NIL	NIL

- (1) January Vandale was appointed as Chief Executive Officer and Corporate Secretary and became a Director of the Company on February 7, 2018, upon the resignation of Marcel de Groot. Ms. Vandale is not an employee of the Company and does not receive any compensation from the Company.
- (2) Victoria J. McMillan was appointed as Chief Financial Officer of the Company on February 7, 2018. Ms. McMillan is not an employee of the Company and does not receive any compensation from the Company.
- (3) Marcel de Groot was a Director and the President of the Company from April 16, 2007 until February 7, 2018. Mr. de Groot received no compensation from the Company during the financial year ended December 31, 2018.
- (4) David E. De Witt was appointed as a Director of the Company on April 16, 2007.
- (5) Christopher R. Cooper was appointed as a Director of the Company on February 7, 2018.
- (6) None of the Named Executive Officers or Directors of the Company received any perquisites which in the aggregate, during the financial years ended December 31, 2018 and December 31, 2019 that were greater than (a) \$15,000, if the NEO or Director's total salary for the financial year was \$150,000 or less; (b) 10% of the respective NEO or Director's salary for the financial year, if the NEO or Director's total salary for the financial year was greater than \$150,000 but less than \$500,000, or (c) \$50,000, if the NEO or Director's total salary for the financial year was \$500,000 or greater.

*Stock Options and Other Compensation Securities*

The Company did not issue compensation securities in the most recently completed financial year ended December 31, 2019, for services provided or to be provided, directly or indirectly, to the Company as set out in the table below. No compensation securities were exercised by any of the Company's NEOs or Directors during the most recently completed financial year.

The following table sets forth a summary of all compensation securities paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons.

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of compensation securities, number of underlying securities and percentage of class <sup>(1)</sup>	Date of issuance 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 <sup>(2)</sup> (\$)	Expiry Date
January Vandale <i>CEO/Director</i>	Stock Options	25,000	September 21, 2018	\$0.10	N/A <sup>(3)</sup>	\$0.17	September 21, 2023
Victoria J. McMillan <i>CFO</i>	Stock Options	75,000	September 21, 2018	\$0.10	N/A <sup>(3)</sup>	\$0.17	September 21, 2023
David E. De Witt <i>Director</i>	Stock Options	25,000	September 21, 2018	\$0.10	N/A <sup>(3)</sup>	\$0.17	September 21, 2023
Christopher R. Cooper <i>Director</i>	Stock Options	25,000	September 21, 2018	\$0.10	N/A <sup>(3)</sup>	\$0.17	September 21, 2023

(1) The Stock Options vested immediately on the date of grant.

(2) This was the closing price of the Shares on the TSXV on December 31, 2019, which was the last trading day of the year.

(3) The Shares were listed and commenced trading on the TSXV on September 25, 2018. The exercise price of the Stock Options was fixed, in accordance with TSXV policies, at the same price per share as the Company's Initial Public Offering.

### *Employment, Consulting and Management Agreements*

During the most recently completed financial year ended December 31, 2019, (i) the Company had no contract, agreement, plan or arrangement under which compensation was provided or is payable in respect of services provided to the Company that were: (a) performed by a Director or NEO, or (b) performed by any other party, but are services typically provided by a Director or a NEO, (ii) the Company had no agreements or arrangements which provided for payments to a NEO or Director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in responsibilities of the NEO or Director following a change in control.

### *Estimated Incremental Payments on Change of Control*

The Company has no contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries or a change in responsibilities of the NEO following a change in control.

### *Pension Plan Benefits*

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement. The Company has no defined benefit or actuarial plans.

### **Additional Information**

Additional information concerning the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).