

GUNPOINT EXPLORATION LTD.
(the “Company”)

Form 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS
for the fiscal year ended December 31, 2020
Dated June 28, 2021

Director and Named Executive Officer Compensation Excluding Compensation Securities

Named Executive Officers

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

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer (“CEO”);
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer (“CFO”);
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer (other than the CEO and CFO) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with applicable securities rules, for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and not acting in a similar capacity, at the end of that financial year.

For the year ended December 31, 2020, the Company had two Named Executive Officers, namely P. Randy Reifel (CEO), and Sam Wong (CFO).

Table of Compensation Excluding Compensation Securities

The following table sets out compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company, to each NEO and director, in any capacity, for each of the Company’s financial years ended December 31, 2020 and 2019.

Table of compensation excluding compensation securities							
Name and principal position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
P. RANDY REIFEL CEO and Director	2020	Nil	Nil	Nil	(2)	Nil	Nil
	2019	Nil	Nil	Nil	(2)	Nil	Nil
SAM WONG CFO	2020	17,000 ⁽¹⁾	Nil	Nil	(2)	Nil	17,000
	2019	17,000 ⁽¹⁾	Nil	Nil	(2)	Nil	17,000
DANIEL KUNZ Director	2020	Nil	Nil	Nil	(2)	Nil	Nil
	2019	Nil	Nil	Nil	(2)	Nil	Nil
IAN ROBERTSON Director	2020	Nil	Nil	Nil	(2)	Nil	Nil
	2019	Nil	Nil	Nil	(2)	Nil	Nil

Table of compensation excluding compensation securities							
Name and principal position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
GERALD SNEDDON Director	2020	Nil	Nil	Nil	(2)	Nil	Nil
	2019	Nil	Nil	Nil	(2)	Nil	Nil

(1) Amount pertains to compensation paid by the Company to Samina Capital Ltd., a company controlled by Mr. Wong.

(2) Perquisites that are not generally available to all employees did not exceed \$15,000.

External Management Companies

Except as disclosed herein, none of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO or director by the Company or one of its subsidiaries in the financial year ended December 31, 2020 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

The following table discloses the total amount of compensation securities held by each NEO and director of the Company as at the Company's financial year end of December 31, 2020.

Name and Position	Total amount of compensation securities held as at December 31, 2020 ⁽¹⁾
P. RANDY REIFEL CEO and Director	900,000 ⁽²⁾
SAM WONG CFO	75,000 ⁽²⁾
DANIEL KUNZ Director	175,000 ⁽²⁾
IAN ROBERTSON Director	50,000 ⁽²⁾
GERALD L. SNEDDON Director	100,000 ⁽²⁾

(1) The numbers under this column represent the number of options and the same number of Common Shares underlying the related options.

(2) As at December 31, 2020, 50% of these options had vested and 25% would vest on each of May 2, 2021 and May 2, 2022.

No compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year.

Except for the vesting schedules noted in the above table, there are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

No NEO or director of the Company exercised any compensation securities during the financial year ended December 31, 2020.

Stock Option Plans and Other Incentive Plans

The Company has a “rolling 10%” Stock Option Plan (the “**Option Plan**”) which was last re-approved by the shareholders of the Company at the 2020 annual general meeting. The Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees and consultants of the Company to acquire Common Shares, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of their affairs.

The Option Plan must be re-approved on an annual basis by the shareholders at each annual general meeting of the Company as required by the policies of the TSX Venture Exchange (“**TSX-V**”).

The Board, based on recommendations of the Compensation Committee where appropriate, determines which NEOs (and other persons) are entitled to participate in the Option Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price.

Previous grants of option-based awards are taken into account when considering new grants.

The Option Plan includes the following applicable provisions:

- The Option Plan is administered by a “Committee” which means the Board or such committee of the Board that the Board has designated to administer the Option Plan;
- Options may be granted to employees, directors, executive officers and consultants of the Company or of a subsidiary of the Company (and such other persons permitted by the TSX-V to be granted options);
- The maximum number of Common Shares issuable pursuant to options granted under the Option Plan is 10% of the issued and outstanding Common Shares from time to time;
- The aggregate number of optioned Common Shares granted within a 12-month period to any one optionee must not exceed 5% of the issued and outstanding Common Shares;
- The number of optioned Common Shares granted within a 12-month period to any one consultant must not exceed 2% of the issued and outstanding Common Shares;
- The aggregate number of optioned Common Shares granted within a 12-month period to optionees who are employed to provide investor relations activities must not exceed 2% of the issued and outstanding Common Shares of the Company;
- The exercise price for options granted under the Option Plan will not be less than the market price of the Common Shares less applicable discounts permitted by the TSX-V;
- Options may be exercisable for a term of up to ten years, subject to earlier termination in the event of death or the optionee’s cessation of services to the Company or to extension if the expiry date is within a trading blackout period imposed by the Company to that date which is 10 business days after the trading blackout;
- Options granted under the Option Plan are non-assignable and non-transferable, except by will or the laws of descent and distribution;
- Unless determined by the Committee and subject to the rules of the TSX-V, if an optionee ceases to be a director, officer, employee or consultant, as the case may be, of the Company for any reason (other than disability or death), the optionee may, but only within 30 days next succeeding ceasing to be a director, officer, employee or consultant, exercise options held to the extent that the optionee was entitled to exercise the options at the date of such cessation;

- In the event of the death or disability of an optionee, options previously granted to the optionee will be exercisable only within the 12 months next succeeding such death or cessation of service due to such disability, respectively; and
- The vesting schedule for each option shall be determined by the Committee at the time the option is granted and shall be specified in the option agreement in respect of the option. If no vesting provisions are specified by the Committee, options granted under the Option Plan shall vest as to 25% on the grant date and as to a further 25% on each of the first, second and third anniversaries of the grant date.

Employment, Consulting and Management Agreements or Arrangements

Pursuant to a service agreement dated January 1, 2018 between the Company and Samina Capital Ltd. (“**Samina**”), a company controlled by Sam Wong, the Company engaged Samina for Mr. Wong’s services as CFO of the Company and for accounting, administration, management, tax compliance, and internal control consulting services. Further to this agreement, during the year ended December 31, 2020, the Company paid Samina \$17,000.

There are no provisions in any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control in the Company or a change in the NEO's responsibilities, except as disclosed above.

Oversight and Description of Director and Named Executive Officer Compensation

In 2020, the Board of Directors of the Company determined compensation to be paid by the Company to its directors and executive officers. The Board of Directors reviews annually and approves the total compensation (including direct salary and any annual bonus as well as long term stock-related incentive plans) payable to each executive officer of the Company and payable to directors in their capacity as directors of the Company. In accordance with TSX-V policies, any compensation paid to a director or executive officer of the Company must be approved by the independent members of the Board of Directors.

In 2020, the directors received no cash compensation for acting in their capacity as directors of the Company and there were no arrangements under which directors were compensated by the Company for their services in their capacity as directors.

The Board of Directors is responsible for reviewing and considering corporate goals and objectives relevant to compensation for all executive officers, evaluating the performance of each executive officer in light of those corporate goals and objectives, and determining the level of compensation for the executive officers based on this evaluation. In 2020, the only NEO who received direct or indirect compensation from the Company was Sam Wong who was compensated through Samina for his services as CFO of the Company further to the Company’s agreement with Samina. See “Employment, Consulting and Management Agreements or Arrangements”.

The Board of Directors administers the Company’s Option Plan and makes decisions regarding option grants, including option terms and amendments, under the Option Plan after taking into account previous stock option grants. In 2020, Board granted no stock options to NEOs or directors.

There is no policy or target regarding cash and non-cash elements of the Company’s compensation program. The directors are of the view that all elements should be considered rather than any single element. The Company does not currently provide the executive officers with personal benefits or any other compensation.

The Company does not presently anticipate making any significant changes to its compensation policies and practices in respect of its financial year ending December 31, 2021.

Pension Disclosure

The Company does not provide a pension to any director or NEO.