



(the “Company”)

STATEMENT OF EXECUTIVE COMPENSATION
(for the Fiscal Year Ended September 30, 2021)

DIRECTOR AND EXECUTIVE COMPENSATION

The Company is a “*venture issuer*” as defined under National Instrument 51-102 – *Continuous Disclosure Obligations* and is disclosing its director and executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation-Venture Issuers* (“**Form 51-102F6V**”).

Definitions

“**Board**” means the board of directors of the Company.

“**Chief Executive Officer**” or “**CEO**” means an individual who served as chief executive officer of the Company, or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.

“**Chief Financial Officer**” or “**CFO**” means an individual who served as chief financial officer of the Company, or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.

“**Exchange**” means the TSX Venture Exchange.

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (i) a CEO;
- (ii) a CFO;
- (iii) 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 subsection 1.3(5) of Form 51-102F6V for that financial year; and
- (iv) each individual who would be an NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that

Named Executive Officers

During the fiscal year ended September 30, 2021, the following individuals were Named Executive Officers of the Company:

- Paul Cowley, Chief Executive Officer (“CEO”)
- Rebecca Moriarty, Chief Financial Officer (“CFO”)

Director and Named Executive Officer Compensation, excluding compensation securities

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or its subsidiaries, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiaries in the two most recently completed financial years ended September 30, 2021 and September 30, 2020.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Paul Cowley⁽¹⁾ President, CEO and Director	2021	48,000	Nil	Nil	Nil	Nil	48,000
	2020	33,650	Nil	Nil	Nil	Nil	33,650
Rebecca Moriarty⁽²⁾ CFO and Corporate Secretary	2021	12,373	Nil	Nil	Nil	Nil	12,373
	2020	9,849	Nil	Nil	Nil	Nil	9,849
Thomas Henricksen⁽³⁾ VP Exploration and Director	2021	41,412	Nil	Nil	Nil	Nil	41,412
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Marino Sveinson Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Lorne Warner Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

- (1) During the financial year ended September 30, 2021 Buena Tierra Development Ltd. (“Buena Tierra”), a company owned by Paul Cowley, was paid or accrued consulting fees of \$48,000 (2020 - \$33,650) for providing geological and management consulting services to the Company.
- (2) Rebecca Moriarty is an employee of Malaspina Consultants Inc. and is not paid directly by the Company. The amount of Malaspina Consultants Inc. invoices relating directly to Ms. Moriarty was \$12,373 for the year ended September 20, 2021 (2020 - \$9,849).
- (3) During the financial year ended September 30, 2021 Thomas Henricksen was paid or accrued consulting fees of \$41,412 (2020 - \$nil) for providing geological consulting services to the Company.

External Management Companies

Except as disclosed under “Employment, Consulting and Management Agreements”, the Company does not presently have any arrangements with any external management company to provide executive management services to the Company. Management functions of the Company are substantially performed by directors or executive officers of the Company.

Stock Options and Other Compensation Securities

No stock options were granted or issued to NEOs or non-NEO directors during the financial year ended September 30, 2021, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No stock options were exercised by any NEO or non-NEO directors during the financial year ended September 30, 2021.

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 (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Paul Cowley ⁽¹⁾ President, CEO and Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Rebecca Moriarty ⁽²⁾ Chief Financial Officer	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Thomas Henricksen ⁽³⁾ Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Marino Sveinson ⁽⁴⁾ Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Lorne Warner ⁽⁵⁾ Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

- (1) As at September 30, 2021, Mr. Cowley held 116,667 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (2) As at September 30, 2021, Ms. Moriarty held 29,167 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (3) As at September 30, 2021, Mr. Henricksen held 58,333 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (4) As at September 30, 2021 Mr. Sveinson held 41,667 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (5) As at September 30, 2021, Mr. Warner held 41,667 stock options exercisable at \$0.30 per share which expired on October 28, 2021.

Stock Option Plans and Other Incentive Plans

The Company has no incentive plans other than the Stock Option Plan.

The Company's current Stock Option Plan is the stock option plan dated for reference June 20, 2012 and most recently approved by the Shareholders on March 10, 2021. Pursuant to Policy 4.4 of the TSX Venture Exchange, corporations that have a rolling stock option plan reserving a maximum of 10% of the issued and outstanding shares of the corporation must receive annual shareholder approval and annual Exchange approval of the stock option plan.

The purpose of the Stock Option Plan is to encourage ownership of the common shares of the Company by persons (“**Eligible Persons**”) who are directors, senior officers and key employees of, as well as consultants and employees of management companies providing services to the Company. Given the competitive environment in which we operate our business, the Share Option Plan will assist us to attract and retain valued directors, senior officers, employees, consultants and management company employees.

The aggregate number of the Company’s common shares reserved for issuance under the Stock Option Plan will be a maximum of 10% of the issued and outstanding share capital at the date of grant. If any stock options granted under the Stock Option Plan expire or terminate for any reason without having been exercised in full, the unpurchased shares will again be available under the Stock Option Plan.

Terms of the Stock Option Plan

The following is a summary of the salient features of the Stock Option Plan:

1. The maximum number of shares that may be issued upon the exercise of stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding common shares at the time of the grant.
2. Stock options can be issued to persons who are directors, senior officers, employees, advisory board members and consultants of, or employees of management companies providing services to, the Company or its subsidiaries, if any.
3. The option price of any common share in respect of which an option may be granted under the Stock Option Plan shall be fixed by the board of directors but shall be not less than the minimum price permitted by the Exchange.
4. The number of options granted to any one individual may not exceed 5% of the outstanding listed shares in any 12 month period unless the Company has obtained disinterested shareholder approval to exceed such limit.
5. The number of options granted to any one consultant may not exceed 2% of the Company’s outstanding listed shares in any 12 month period.
6. All options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.
7. If the optionee ceases to be (other than by reason of death) an eligible recipient of options, then the option granted shall expire within a reasonable period of time, as determined by

the board of directors, following the date that the option holder ceases to be eligible, subject to the terms and conditions set out in the Stock Option Plan.

8. If an optionee ceases to be an eligible recipient of options by reason of death, an optionee's heirs or administrators shall have until the earlier of:
 - (a) one year from the death of the option holder; and
 - (b) the expiry date of the optionsin which to exercise any portion of options outstanding at the time of death of the optionee.
9. The Stock Option Plan will be administered by the Company's board of directors who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
10. The options are not assignable or transferable by an optionee.
11. The Company shall have the authority to deduct and withhold, or require the Optionee to remit to the Company, the amount of any taxes or other required source deductions which the Company is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of options.
12. The board of directors may from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

Employment, Consulting and Management Agreements

The Company has entered into the following agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or named executive officer:

Pursuant to an independent contractor agreement dated June 19, 2020, effective as of May 1, 2020, between the Company and Buena Tierra Development Ltd., a company owned by Paul Cowley, President, CEO, and Director of the Company, Mr. Cowley provides executive, management, and technical consulting services to the Company. On average, Mr. Cowley provides 10 hours per week of services and is paid a fee of \$4,000 per month. The base monthly rate is subject to review annually on May 1st. The contractor agreement is subject to termination by either party with sixty (60) days notice.

Ms. Moriarty, CFO and Corporate Secretary for the Company, is paid for her CFO-related services to the Company under an annual engagement agreement with Malaspina Consultants Inc. ("**Malaspina**"). Pursuant to this agreement, the Company pays Malaspina \$212/hour for Ms. Moriarty's services. The Company also pays Malaspina for providing accounting and financial statement preparation services and SEDAR-filing related services at rates varying between \$58/hour and \$230/hour, depending on the individual providing the services and the type of

services being provided. Fees are due and payable upon rendering of invoices by Malaspina. The term of the agreement is for 12 months, expiring on December 31st of each year, with a new agreement being executed by the Company and Malaspina on January 1st of each year.

Oversight and Description of Director and Named Executive Officer Compensation

The Company does not have a compensation committee. The Board of Directors is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to directors, officers and consultants of the Company. The board of directors is also responsible for reviewing recommendations for compensation of the CEO and other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the board of directors will consider: (i) recruiting and retaining officers critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

The Company relies solely on Board discussion to determine compensation paid to executives and directors, without any formal objectives, criteria or analysis. The Company has, to date, no revenues from operations and often operates with limited financial resources. Consequently, the directors of the Company have to consider not only the financial situation of the Company at the time of determination of any executive or director compensation, but also the estimated financial situation of the Company in the midterm and long term.

Currently, the Company's compensation program consists primarily of stock options. Grants of stock options are intended to align the interests of the Named Executive Officers and directors with those of the Company's shareholders over the longer term and to provide a retention incentive for such persons. Numerous factors are taken into consideration by the Board of Directors in determining grants of options, including: a review of the previous grants (including value both at the current share prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question. All grants of stock options are subject to the terms and conditions of the Company's Stock Option Plan.

Pension Disclosure

The Company does not have any person, defined benefit, defined contribution or deferred compensation plan in place.