



STATEMENT OF EXECUTIVE COMPENSATION

DATED: MARCH 28, 2024

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Objective:

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure provides insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Definitions:

For the purpose of this Statement of Executive Compensation, in this form:

- (a) **“Company”** means Indigo Exploration Inc.;
- (b) **“company”** includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;
- (c) **“compensation securities”** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;
- (d) **“named executive officer”** or **“NEO”** means each of the following individuals:
 - (i) 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 CEO;
 - (ii) 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;
 - (iii) 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 for that financial year;
 - (iv) 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;
- (e) **“plan”** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and
- (f) **“underlying securities”** means any securities issuable on conversion, exchange or exercise of compensation securities.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

During the financial year ended September 30, 2023, based on the definitions in this section, the NEOs of the Company were (a) Paul Cowley, who has served as CEO of the Company since September 27, 2013 and Director since July 2, 2009; and (b) Rebecca Moriarty, who has served as CFO and Corporate Secretary since June 8, 2015. Individuals serving as directors of the Company who were not NEOs during the financial year ended September 30, 2023, were, Marino Sveinson, Lorne Warner, Bradley Parkes, and D.T. Brian Doherty.

During the financial year ended September 30, 2022, based on the definitions in this section, the NEOs of the Company were (a) Paul Cowley, who has served as CEO of the Company since September 27, 2013, and Director since July 2, 2009; (b) Rebecca Moriarty, who has served as CFO and Corporate Secretary since June 8, 2015. Individuals serving as directors of the Company who were not NEOs during the financial year ended September 30, 2022, were Thomas Henricksen, Marino Sveinson, and Lorne Warner.

Director and NEO compensation, excluding options and compensation securities

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

Table of Compensation Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Paul Cowley ⁽²⁾ CEO and Director	2023	52,000	Nil	Nil	Nil	Nil	52,000
	2022	12,000	Nil	Nil	Nil	Nil	12,000
Rebecca Moriarty ⁽³⁾ CFO and Corporate Secretary	2023	15,280	Nil	Nil	Nil	Nil	15,280
	2022	10,014	Nil	Nil	Nil	Nil	10,014
Marino Sveinson ⁽⁴⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Lorne Warner ⁽⁵⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Bradley Parkes ⁽⁶⁾ Vice President of Exploration and Director	2023	45,000	Nil	Nil	Nil	Nil	45,000
	2022	Nil	Nil	Nil	Nil	Nil	Nil
D.T. Brian Doherty ⁽⁷⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Henricksen ⁽⁸⁾ Former VP Exploration and Former Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

NOTES:

- (1) Year ended September 30th
- (2) Paul Cowley has been a Director of the Company since July 2, 2009. Buena Tierra Development Ltd. (“Buena Tierra”), a company owned by Paul Cowley, was paid or accrued consulting fees of \$52,000 (2022- \$12,000) for providing geological and management consulting services to the Company.
- (3) Rebecca Moriarty was appointed CFO and Corporate Secretary of the Company on June 8, 2015. Ms. 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 \$15,280 for the year ended September 30, 2023 (2022 - \$10,014).

- (4) Marino Sveinson has served as a Director of the Company since April 17, 2008.
- (5) Lorne Warner has served as a Director of the Company since May 15, 2016.
- (6) Bradley Parkes has served as Director of the Company since October 1, 2022. Whytecliff Resources Corp. (“Whytecliff”), a company owned by Bradley Parkes, was paid or accrued consulting fees of \$45,000 (2022 - \$nil) for providing geological services to the Company.
- (7) D.T. Brian Doherty served as Director of the Company since May 1, 2023.
- (8) Thomas Henricksen served as Director of the Company during the period of February 14, 2013, to May 1, 2023. Mr. Henricksen resigned as Vice President of Exploration on October 1, 2022.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or one of its subsidiaries during the financial years ended September 30, 2023, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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 CEO and Director	Stock Options	300,000 (9.68%) Underlying Shares: 300,000 (0.46%)	February 14, 2023	0.0825	0.11	0.105	February 14, 2028
Rebecca Moriarty CFO and Corporate Secretary	Stock Options	100,000 (3.23%) Underlying Shares: 100,000 (0.15%)	February 14, 2023	0.0825	0.11	0.105	February 14, 2028
Marino Sveinson Director	Stock Options	100,000 (3.23%) Underlying Shares: 100,000 (0.15%)	February 14, 2023	0.0825	0.11	0.105	February 14, 2028
Lorne Warner Director	Stock Options	100,000 (3.23%) Underlying Shares: 100,000 (0.15%)	February 14, 2023	0.0825	0.11	0.105	February 14, 2028
Bradley Parkes Vice President of Exploration and Director	Stock Options	1,600,000 (51.61%) Underlying Shares: 1,600,000 (2.44%)	February 14, 2023	0.0825	0.11	0.105	February 14, 2028
D.T. Brian Doherty Director	Stock Options	200,000 (6.45%) Underlying Shares: 200,000 (0.30%)	April 14, 2023	0.0825	0.11	0.105	April 14, 2028
Thomas Henricksen Former VP Exploration and Former Director	Stock Options	100,000 (3.23%) Underlying Shares: 100,000 (0.15%)	February 14, 2023	0.0825	0.11	0.105	February 14, 2028

NOTES: As at September 30, 2023, there were no other compensation securities outstanding for any NEO and/or director of the Company.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs

No exercises of compensation securities by any NEO or director of the Company occurred during the financial year ended September 30, 2023.

No exercises of compensation securities by any NEO or director of the Company occurred during the financial year ended September 30, 2022.

Stock Option Plans and Other Incentive Plans

The Company has a stock option plan dated for reference July 7, 2023 (the “Stock Option Plan”), which was last approved by Shareholders at the Company’s annual general meeting held on September 5, 2023.

The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, consultants and management company employees of the Company and of its subsidiaries, if any, by providing them with the opportunity, through Options, to acquire common shares in the capital of the Company, 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 its affairs. Given the competitive business environment in which the Company operates, the Stock Option Plan will assist the Company to attract and retain valued directors, officers, employees, consultants and management company employees.

Terms of the Stock Option Plan

The following is a summary of the Stock Option Plan. Capitalized terms used but not otherwise defined below have the meanings ascribed to such terms in the Stock Option Plan.

1. The Stock Option Plan is administered by the Board.
2. 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.
3. 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.
4. 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.
5. Stock options can be issued to persons (“Eligible Recipients”) who are bona fide Directors, Officers, Employees, Consultants and Management Company Employees providing services to the Company or its subsidiaries, if any.
6. The Exercise Price of an Option granted under the Stock Option Plan shall be fixed by the Board but shall be not less than the minimum price permitted by the Exchange.
7. The number of Options granted to any one Eligible Recipient 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.

8. 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.
9. The number of Options granted to all Investor Relations Service Providers may not exceed 2% of the Company's outstanding listed shares in any 12 month period and must vest in stages over a period of not less than 12 months.
10. The aggregate number of Options granted to Insiders (as a group) cannot exceed 10% of the Outstanding Issue of the Company at any point in time, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
11. The aggregate number of Options granted to Insiders (as a group) in any 12 month period cannot exceed 10% of the Outstanding Issue of the Company at the date of grant of the Option, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
12. All Options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.
13. If the Optionee ceases to be (other than by reason of death) an Eligible Recipient, then the Option granted shall expire within a reasonable period of time (which shall not exceed 12 months), as determined by the Board, following the date that the Optionee ceases to be eligible. All unvested Options will terminate on the Cessation Date. Subject to the terms of the Stock Option Plan, if an Optionee ceases to be an Eligible Recipient:
 - a) for cause, the Optionee's Options will immediately terminate;
 - b) if the Optionee was engaged by the Company as an Investor Relations Service Provider, the Optionee's Options which have vested at the Cessation Date, will expire on the earlier of their original expiry date and 30 days after the Cessation Date;
 - c) if the Option Agreement does not specify otherwise, the Optionee's Options which have vested at the Cessation Date will expire on the earlier of their original expiry date and 90 days after the Cessation Date;
 - d) by reason of death, an Optionee's heirs or administrators shall have until the earlier of:
 - i. one year from the death of the Optionee; and
 - ii. the original expiry date of the Options in which to exercise any portion of Options vested at the time of death of the Optionee; and
 - e) as a result of a Change of Control, then any Options which are subject to vesting provisions shall immediately vest on the Cessation Date and all Options will expire on the earlier of their original expiry date and 90 days after the Cessation Date.
14. If the Expiry Date for an Option falls within a Blackout Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan.
15. The Stock Option Plan will be administered by the Company's Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any Eligible Recipient, including themselves.
16. The Options are not assignable or transferable by an Optionee.
17. 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.

18. The Board 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:

As of January 1, 2023, the Company entered into an independent contractor agreement, between the Company and Buena Tierra Development Ltd., a company owned by Paul Cowley, President, CEO, and Director of the Company, whereby the CEO agreed to provide management services to the Company. The agreement requires payment of a management fee of \$6,000 per month. In the event of termination of the agreement without cause, the Company must pay severance equal to two (2) months of management fees. The independent 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.

Termination and Change of Control Benefits

The Company may terminate the independent contractor agreement at any time. In the event of termination of the independent contractor agreement without cause, the Company must pay Buena Tierra Development Ltd. severance equal to two (2) months of management fees within sixty (60) days.

The following table sets out the estimated termination costs for each of the NEOs assuming that the termination event took place on the last business day of the fiscal year ended September 30, 2023.

Termination and Change of Control Benefits				
Name and position	Termination Event	Base Salary (\$)	Bonus (\$)	Total (\$)
Paul Cowley CEO	Without Cause	\$12,000	-	\$12,000
	Change of Control	-	-	-
	Good Reason	-	-	-

Oversight and Description of Director and NEO 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 pension, retirement, defined benefit, defined contribution or deferred compensation plans that provides for payments or benefits to its directors and NEOs at, following, or in connection with retirement and none are proposed at this time.