

**CABRAL GOLD INC.**  
 (the “Company”)  
 #1500 – 409 Granville Street  
 Vancouver, British Columbia  
 Canada V6C 1T2

**Form 51-102F6V**  
**STATEMENT OF EXECUTIVE COMPENSATION**

Except where otherwise indicated, the information contained herein is stated as of December 31, 2017.

For the purposes of this statement of executive compensation:

“CEO” means the Company’s chief executive officer;

“CFO” means the Company’s chief financial officer;

“Named Executive Officer” or “NEO” means:

- (a) a CEO;
- (b) a CFO;
- (c) 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 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) 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 financial year.

As at December 31, 2017, the end of the most recently completed financial period of the Company, the Company had two (2) NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

The Company’s previous fiscal year end was June 30. The fiscal year end was changed to December 31 in 2017. Accordingly, the information presented herein is for the year ended June 30, 2017 and the six months ended December 31, 2017.

**Director and named executive officer compensation**

The following table is a summary of compensation awarded to, earned by, paid to, or payable to each director and NEO of the Company for the two most recently completed financial periods ended December 31, 2017 and June 30, 2017.

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position</b>	<b>Fiscal period end</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
<b>Alan Carter</b> <sup>(1)</sup> President and CEO, Director	A	\$62,500	Nil	Nil	Nil	Nil	\$62,500
	B	\$87,500	Nil	Nil	Nil	Nil	\$87,500

Table of compensation excluding compensation securities							
Name and position	Fiscal period end	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Paul Hansed</b> <sup>(2)</sup> CFO and Corporate Secretary	A	\$62,300	Nil	Nil	Nil	Nil	\$62,300
	B	\$77,083	Nil	Nil	Nil	Nil	\$77,083
<b>Charles Oliver</b> <sup>(3)</sup> Director, non-executive Chairman	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil
<b>Dennis Moore</b> <sup>(4)</sup> Director	A	\$15,625	Nil	Nil	Nil	Nil	\$15,625
	B	\$43,750	Nil	Nil	Nil	Nil	\$43,750
<b>Donald Njegovan</b> <sup>(5)</sup> Director	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil
<b>Derrick Weyrauch</b> <sup>(6)</sup> Director	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil
<b>Eileen Au</b> <sup>(7)</sup> Former Interim CEO, former Corporate Secretary and former Director	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil
<b>Delaram Salem</b> <sup>(8)</sup> Former CFO and former Director	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil
<b>Danny Lee</b> <sup>(9)</sup> Former Interim CFO and former Director	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil
<b>Vincent Boon</b> <sup>(10)</sup> Former Director	A	Nil	Nil	Nil	Nil	Nil	Nil
	B	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (A) Relates to the six months ended December 31, 2017 and includes remuneration paid by Cabral Gold Ltd. prior to the closing of the business combination transaction with San Angelo Oil Limited on October 30, 2017
- (B) Relates to the year ended June 30, 2017 and includes remuneration paid by Cabral Gold Ltd.
- (1) Alan Carter was appointed President and CEO and a director of the Company effective October 30, 2017.
- (2) Paul Hansed was appointed CFO and Corporate Secretary of the Company effective October 30, 2017.
- (3) Charles Oliver was appointed a director and non-executive Chairman of the Company effective October 30, 2017.
- (4) Dennis Moore was appointed a director of the Company effective October 30, 2017. Amounts paid to Mr. Moore related to advisory services provided in connection with the management of the Company's operations in Brazil and not in his capacity as a director of the Company
- (5) Donald Njegovan was appointed a director of the Company effective October 30, 2017. Mr. Njegovan resigned from the Board of Directors effective May 3, 2018.
- (6) Derrick Weyrauch was appointed a director of the Company effective October 30, 2017.
- (7) Eileen Au served as Interim CEO, Corporate Secretary and a director of the Company from February 10, 2016 to October 30, 2017.
- (8) Delaram Salem served as CFO from August 1, 2016 to October 30, 2017 and as a director of the Company from July 4,

2017 to October 30, 2017.

- (9) Danny Lee served as Interim CFO from February 10, 2016 to July 31, 2016 and as a director of the Company from February 10, 2016 to October 30, 2017.
- (10) Vincent Boon served as a director of the Company from February 11, 2016 to October 30, 2017.

### Stock options and other compensation securities

The following table provides information on all compensation securities held by each NEO or director on the last day of the most recently completed financial year end.

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 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
<b>Alan Carter</b> <sup>(1)</sup> President and CEO, Director	N/A						
<b>Paul Hansed</b> <sup>(2)</sup> CFO and Corporate Secretary	N/A						
<b>Charles Oliver</b> <sup>(3)</sup> Director, non-executive Chairman	Options	450,000	February 14, 2017	\$0.333	N/A <sup>(3)</sup>	\$0.42	February 13, 2020
<b>Dennis Moore</b> <sup>(4)</sup> Director	N/A						
<b>Donald Njegovan</b> <sup>(5)</sup> Director	Options	297,000	February 14, 2017	\$0.333	N/A <sup>(5)</sup>	\$0.42	May 2, 2019
<b>Derrick Weyrauch</b> <sup>(6)</sup> Director	Options	297,000	December 6, 2017	\$0.35	\$0.35	\$0.42	December 5, 2020
<b>Eileen Au</b> <sup>(7)</sup> Former Interim CEO, former Corporate Secretary and former Director	N/A						
<b>Delaram Salem</b> <sup>(8)</sup> Former CFO and former Director	N/A						
<b>Danny Lee</b> <sup>(9)</sup> Former Interim CFO and former Director	N/A						
<b>Vincent Boon</b> <sup>(10)</sup> Former Director	N/A						

**Notes:**

- (1) Dr. Carter held no compensation securities on the last day of the most recently completed financial year.
- (2) Mr. Hansed held no compensation securities on the last day of the most recently completed financial year.
- (3) Mr. Oliver's stock options were granted on February 14, 2017 by Cabral Gold Ltd., a private company for which no public market for the shares therein existed; accordingly, information concerning the closing price of the underlying security as at this date is not available. Mr. Oliver held 450,000 compensation securities on the last day of the most recently completed financial year.

- (4) Mr. Moore held no compensation securities on the last day of the most recently completed financial year.
- (5) Mr. Njegovan's stock options were granted on February 14, 2017 by Cabral Gold Ltd., a private company for which no public market for the shares therein existed; accordingly, information concerning the closing price of the underlying security as at this date is not available. Mr. Njegovan held 297,000 compensation securities on the last day of the most recently completed financial year. Mr. Njegovan resigned from the Board effective May 3, 2018
- (6) Mr. Weyrauch held 297,000 compensation securities on the last day of the most recently completed financial year.
- (7) Ms. Au held no compensation securities on the last day of the most recently completed financial year.
- (8) Ms. Salem held no compensation securities on the last day of the most recently completed financial year.
- (9) Mr. Lee held no compensation securities on the last day of the most recently completed financial year.
- (10) Mr. Boon held no compensation securities on the last day of the most recently completed financial year.

The stock options granted to Mr. Oliver and Mr. Njegovan on February 14, 2017 were granted by Cabral Gold Ltd.; the original grants were 2,500,000 and 1,650,000 stock options, respectively, with an exercise price of \$0.06. Following the business combination transaction with San Angelo Oil Limited on October 30, 2017, both the number of stock options and exercise price were adjusted to reflect the transaction exchange ratio of 0.18. As a result of the business combination transaction, all stock options held by Mr. Oliver and Mr. Njegovan were placed in escrow and will be released over three years.

All stock options granted in the financial periods ended December 31, 2017 and June 30, 2017 vested in full on the date of grant.

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year.

### **Stock option plans and other incentive plans**

The Company's 2017 Stock Option Plan (the "**Plan**") was previously approved by Shareholders at the special meeting held on July 4, 2017. It is required to be approved at the Company's next annual general meeting. The purpose of the Plan is to provide an incentive to directors, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The following summary of the material terms of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan.

1. Eligible Participants. Options may be granted under the Plan to directors or officers of the Company or an affiliate of the Company (collectively, the "**Directors**"), employees of the Company (collectively, the "**Employees**") consultants of the Company or its affiliate (collectively, the "**Consultants**") or Management Company Employees (as that term is defined in Policy 4.4 of the TSX Venture Exchange (the "**Exchange**") Corporate Finance Manual). The Board, in its discretion, determines which of the Directors, Employees, Consultants or Management Company Employees will be awarded Options under the Plan.
2. Number of Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding Common Shares of the Company from time to time at the date of granting of Options (including all options granted by the Company prior to the adoption of the Plan and under the Plan). Options which are cancelled or expire prior to exercise continue to be issuable under the Plan.
3. Limitations. Under the Plan, the aggregate number of options granted to any one person in a 12 month period must not exceed 5% of the issued and outstanding shares of the Company, calculated on the date the option is granted. The aggregate number of options granted to any one Consultant in a 12 month period must not exceed 2% of the issued and outstanding shares of the Company, calculated at the date the option is granted. The aggregate number of options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding shares of the Company in any 12 month period, calculated at the date an option is granted to any such person.

4. Term of Options. Subject to the termination and change of control provisions noted below, the terms of any Option granted under the Plan is determined by the Board and may not exceed ten years from the date of grant.
5. Exercise Price. The exercise price of Options granted under the Plan is determined by the Board, provided that it is not less than the Discounted Market Price, as that term is defined in the Exchange's Corporate Finance policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies from time to time, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to insiders may not be decreased without disinterested shareholder approval at the time of the proposed amendment.
6. Vesting. All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board.
7. Termination. Any Options granted pursuant to the Plan will terminate upon the earliest of:
  - (a) such date as the Board has fixed when the Option is granted, provided that the date is no more than one year from the date on which the holder ceases to be eligible (the "**Cessation Date**") to hold the Option;
  - (b) the end of the term of the Option;
  - (c) if the Cessation Date is as a result of dismissal for cause or regulatory sanction, then immediately on the Cessation Date; or
  - (d) if the Cessation Date is as a result of death or disability, then the date that is one year from the date of such death or disability.

#### **Employment, consulting and management agreements**

The Company does not have any agreement or arrangement under which compensation was provided during the most recently completed financial period ended December 31, 2017 or is payable in respect of services provided to the Company that were performed by a director or a NEO, or performed by any other party but are services typically provided by a director or a NEO.

#### **Oversight and description of director and named executive officer compensation**

No cash compensation was paid to any director of the Company for the director's services as a director during the financial period ended December 31, 2017. The compensation of directors is reviewed annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels, if any, for the directors. Currently, the Company has no standard arrangement pursuant to which directors are compensated for their services in their capacity as directors.

The objectives of the Company's executive compensation program are as follows:

- to attract, retain and motivate talented executives;
- to align the interests of the Company's executives with the interests of the Shareholders;
- to reward executive officers based on their skill and experience level, the level of responsibility involved in their position, the individual's experience and qualifications;
- to reward executives for reinforcing the Company's business objectives and values, for achieving the Company's performance objectives, and for their individual performance; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in a similar business in appropriate regions.

The Company aims to design executive compensation packages that are comparable to those for executives with similar talents, qualifications and responsibilities at companies with similar financial and operating characteristics. However, executive compensation is not evaluated against a formal “peer group”.

The Company has implemented three levels of compensation. First, executive officers may be paid a monthly consulting fee or salary. Second, executive officers may be awarded long term incentives in the form of stock options. Finally, and only in special circumstances, cash or share bonuses for exceptional performance that results in a significant increase in shareholder value may be awarded. The Company does not provide pension benefits to the executive officers.

The base compensation of the executive officers is reviewed annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels for the executive officers. The Compensation Committee may make recommendations to the Board from time to time regarding stock option grants to be made pursuant to the Plan. The Compensation Committee may also make recommendations regarding awarding bonuses, which are then approved by the independent members of the Board at their discretion. The Compensation Committee and Board do not have pre-existing performance criteria or objectives that it considers in setting compensation amounts.

See “*Statement of Executive Compensation - Director and named executive officer compensation*” above for a description of the compensation awarded to each NEO during the most recently completed financial period ended December 31, 2017. Compensation for the most recently completed financial period should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company’s financial resources and prospects.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com).