

HAPPY CREEK MINERALS LTD.
(the “Company”)

Form 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION
(for the financial year ended January 31, 2024)

The following information is provided in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation - Venture Issuers*. In this Statement of Executive Compensation, references to the “**Company**” refer to Happy Creek Minerals Ltd.. All monetary amounts herein are expressed in Canadian Dollars (“\$”) unless otherwise stated.

For the purposes set out below, a “**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) the chief executive officer of the Company (“**CEO**”) or 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;
- (b) the chief financial officer of the Company (“**CFO**”) or 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;
- (c) 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, as determined in accordance with subsection 1.3(5) of Form 51-102F6V; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at the end of the Company’s most recently completed financial year ended January 31, 2024, the Company had two NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

Director and Named Executive Officer Compensation

The following table is a summary of compensation (excluding compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO and director for services provided and for services to be provided, directly or indirectly, to the Company, for each of the Company’s two most recently completed financial years ended January 31, 2024 and January 31, 2023.

Table of compensation excluding compensation securities							
Name and position	Year Ended	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) ⁽¹⁾⁽²⁾	Value of all other compensation (\$)	Total compensation (\$)
Michael Cathro ⁽³⁾ Director, Corporate Secretary, former President and former CEO	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	12,100	Nil	Nil	Nil	Nil	12,100
Richard Lee ⁽⁴⁾ Chief Financial Officer	2024	36,000	Nil	Nil	Nil	Nil	36,000
	2023	36,000	Nil	Nil	Nil	Nil	36,000
David E. Blann ⁽⁵⁾ Director	2024	86,837	Nil	Nil	Nil	Nil	86,837
	2023	29,893	Nil	Nil	Nil	Nil	29,893
Rodger Gray Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Walter Segsworth Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Sarah Weber Director	2024	14,218	Nil	Nil	Nil	Nil	14,218
	2023	7,950	Nil	Nil	Nil	Nil	7,950
Kent Pearson ⁽⁶⁾ Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
Peter Hughes ⁽⁷⁾ Former President, former CEO and former Director	2024	20,000	Nil	Nil	Nil	Nil	20,000
	2023	90,000	Nil	Nil	Nil	Nil	90,000

Notes:

- (1) Includes perquisites provided to an NEO or director that are not generally available to all employees. An item is generally a perquisite if it is not integrally and directly related to the performance of the director's or NEO's duties. If something is necessary for a person to do his or her job, it is integrally and directly related to the job and is not a perquisite, even if it also provides some amount of personal benefit. For the purposes of the table, perquisites are valued based on the aggregate incremental cost to the Company and its subsidiaries.
- (2) NEOs and directors whose total salary for the applicable financial year was \$150,000 or less did not receive perquisites that, in aggregate, were greater than \$15,000. NEOs and directors whose total salary for the applicable financial year was greater than \$150,000 but less than \$500,000 did not receive perquisites that, in aggregate, were greater than 10% of the NEO's or director's salary for the applicable financial year.
- (3) Mr. Cathro served as the President and CEO of the Company from May 26, 2023 to April 30, 2024. He was appointed Corporate Secretary of the Company on February 9, 2024. Jason Bahnsen was appointed the President, CEO and a director of the Company on May 1, 2024.
- (4) Mr. Lee was paid pursuant to a Professional Services Agreement with Kitchener Holdings Corp. ("Kitchener"), a private company controlled by Mr. Lee made effective February 1, 2022 pursuant to which the Company agreed to pay Kitchener a monthly fee to provide accounting and administrative services to the Company and to engage Mr. Lee as the Company's CFO. See, "Employment, consulting and management agreements" below for further information.
- (5) Paid pursuant to an agreement between the Company and Standard Metals Exploration Ltd. ("Standard"), a company controlled by Mr. Blann. Standard provides professional geological exploration and management services to the Company. See "Employment, consulting and management agreements" below for further information.
- (6) Mr. Pearson was appointed as a director of the Company on July 18, 2023 and he resigned on January 24, 2024.
- (7) Mr. Hughes was appointed the President, CEO and a director of the Company on October 1, 2021. He resigned as the President and CEO on May 26, 2023, and he resigned as a director on June 3, 2023. Mr. Hughes was paid a consulting fee of

\$10,000/month pursuant to the terms of an Independent Consulting Agreement between the Company and Mr. Hughes made effective October 1, 2021 (the “Hughes Agreement”). The Hughes Agreement was terminated effective May 26, 2023. See “Employment, consulting and management agreements” below for further information.

Stock Options and Other Compensation Securities

The following table contains information on compensation securities that were granted or issued to the directors and NEOs of the Company by the Company in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company.

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
Michael Cathro Director, Corporate Secretary, former President and former CEO	Stock Option	250,000 (0.0018%)	April 25, 2023	0.05	0.035	0.025	April 25, 2028
Richard Lee Chief Financial Officer	Stock Option	250,000 (0.0018%)	April 25, 2023	0.05	0.035	0.025	April 25, 2028
David E. Blann Director	Stock Option	500,000 (0.0036%)	April 25, 2023	0.05	0.035	0.025	April 25, 2028
Rodger Gray Director	Stock Option	500,000 (0.0036%)	April 25, 2023	0.05	0.035	0.025	April 25, 2028
Walter Segsworth Director	Stock Option	250,000 (0.0018%)	April 25, 2023	0.05	0.035	0.025	April 25, 2028
Sarah Weber Director	Stock Option	250,000 (0.0018%)	April 25, 2023	0.05	0.035	0.025	April 25, 2028
Kent Pearson Director	Stock Option	500,000 (0.0036%)	April 25, 2023	0.05	0.035	0.025	April 23, 2024

The following table discloses all compensation securities granted or issued to each director and NEO 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, and outstanding as at January 31, 2024:

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Michael Cathro Director, Corporate Secretary, former President and former CEO	Stock Option	600,000	Oct 17, 2019	0.17	April 25, 2028
		700,000	Mar 23, 2021	0.10	Oct 17, 2024
		250,000	April 25, 2023	0.05	Mar 23, 2026
		250,000	April 25, 2023	0.05	April 25, 2028
Richard Lee Chief Financial Officer	Stock Option	400,000	Oct 17, 2019	0.17	Oct 17, 2024
		350,000	Mar 23, 2021	0.10	Mar 23, 2026
		250,000	April 25, 2023	0.05	April 25, 2028
		250,000	April 25, 2023	0.05	April 25, 2028
David E. Blann Director	Stock Option	550,000	Oct 17, 2019	0.17	Oct 17, 2024
		350,000	Mar 23, 2021	0.10	Mar 23, 2026
		500,000	April 25, 2023	0.05	April 25, 2028
		500,000	April 25, 2023	0.05	April 25, 2028
Rodger Gray Director	Stock Option	500,000	Oct 17, 2019	0.17	Oct 17, 2024
		350,000	Mar 23, 2021	0.10	Mar 23, 2026
		500,000	April 25, 2023	0.05	April 25, 2028
		500,000	April 25, 2023	0.05	April 25, 2028
Walter Segsworth Director	Stock Option	750,000	Jan 16, 2020	0.17	Jan 16, 2025
		350,000	Mar 23, 2021	0.10	Mar 23, 2026
		250,000	April 25, 2023	0.05	April 25, 2028
		250,000	April 25, 2023	0.05	April 25, 2028
Sarah Weber Director	Stock Option	1,000,000	Mar 23, 2021	0.05	Mar 23, 2026
		250,000	April 25, 2023	0.05	April 25, 2028
		250,000	April 25, 2023	0.05	April 25, 2028

No stock options were exercised by the directors or NEOs of the Company during the most recently completed financial year.

Stock Option Plans and Other Incentive Plans

The Company's 2022 Stock Option Plan was previously approved by the shareholders of the Company (the "Shareholders") at the annual general meeting of the Shareholders held on July 18, 2023. The 2022 Stock Option Plan is required to be approved at the next annual general meeting of the Shareholders.

The purpose of the 2022 Stock Option Plan is to allow directors, officers and other eligible persons, as additional compensation, the opportunity to participate in the profitability of the Company by granting to such persons Options to buy shares of the Company at market price prevailing on the date the Option is granted. The Company does not provide any financial assistance to participants to facilitate the purchase of shares under the 2022 Stock Option Plan.

The 2022 Stock Option Plan provides that the Board may, from time to time, in its discretion, grant Options to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates. The 2022 Stock Option Plan is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with all of the Company's other previously established or proposed share compensation

arrangements, may not exceed 10% of the total number of the Company's issued and outstanding common shares ("**Common Shares**") at the time an Option is granted. The following information is intended as a brief description of the 2022 Stock Option Plan and is qualified in its entirety by the full text of the 2022 Stock Option Plan:

- a) Persons who are eligible persons, including directors, senior officers, employees, management company employees, consultants or company consultants, as well as companies, 100% of the share capital of which are beneficially owned by one or more eligible persons (the "Service Providers"), including Investor Relations Service Providers as defined by the TSXV Corporate Finance Manual in effect from time to time, of the Company, or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of Options under the 2022 Stock Option Plan;
- b) Options granted pursuant to the 2022 Stock Option Plan are non-assignable, and non-transferable for a period of up to 10 years;
- c) For Options granted to Service Providers, the Company must ensure that the proposed optionee is a bona fide director, officer, employee, management company employee, or consultant;
- d) An Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the optionee at any time prior to expiry of the Option), after the date the optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the optionee ceased to be so employed by, or to provide services to, the Company;
- e) If an optionee dies, any vested Option held by him or her at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such Option;
- f) In the case of an optionee being dismissed from employment or service for cause, such optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- g) The exercise price of each Option will be set by the Board on the effective date of grant of the Option and will not be less than the Discounted Market Price, as defined in the TSXV Corporate Finance Manual in effect from time to time;
- h) Vesting of Options shall be at the discretion of the Board, excluding Investor Relations Service Providers, and, with respect to any particular Options granted under the 2022 Stock Option Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Company or any of its affiliates during the vesting period;
- i) Options granted to any Investor Relations Service Provider shall vest in stages over a period of not less than one year with (i) no more than 25% of the Options vesting no sooner than three months after the Options were granted; (ii) no more than another 25% of the Options vesting no sooner than six months after the Options were granted; (iii) no more than another 25% of the Options vesting no sooner than nine months after the Options were granted; and (iv) the remainder of the Options vesting no sooner than 12 months after the Options were granted.
- j) Options will be exercisable over periods of up to 10 years as determined by the Board, except in the event that any Option expires during, or within 48 hours after, a self-imposed blackout period on trading securities of the Company, such expiry date will become the 10th day following the end of such blackout period; and
- k) The Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the 2022 Stock Option Plan with respect to all Common Shares in respect of Options, which have not yet been granted under the 2022 Stock Option Plan. Any amendment to any provision of the 2022 Stock Option Plan will be subject to regulatory approvals, as necessary, unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the 2022 Stock Option Plan to Service Providers.

The 2022 Stock Option Plan also provides that the Board may, without shareholder approval, subject to prior written approval of the TSXV, as applicable:

- a) amend typographical, clerical and grammatical errors in the 2022 Stock Option Plan;
- b) amend the 2022 Stock Option Plan to reflect changes to applicable securities laws (including but not limited to TSXV policies);

- c) make amendments to ensure that the Options granted under the 2022 Stock Option Plan will comply with any provisions respecting income tax and other laws in force in any country or jurisdiction of which an Optionee may from time to time be resident or a citizen; and
- d) make such amendments as may otherwise be permitted by the TSXV policies, as applicable.

Amendments to the 2022 Stock Option Plan requiring approval by disinterested shareholders are:

- a) Any amendments to the 2022 Stock Option Plan that, together with all other share compensation arrangements, could result at any time in: (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders, as defined below, together with any equity compensation awarded pursuant to all other share compensation arrangements of the Company, exceeding 10% of the outstanding Common Shares; (ii) the number of Shares issued to Insiders, as a group, pursuant to the exercise of Options within any 12-month period, together with any equity compensation awarded pursuant to all other share compensation arrangements of the Company, exceeding 10% of the outstanding Common Shares; (iii) the issuance to any one optionee, within any 12-month period, of a number of Common Shares, together with any equity compensation awarded pursuant to all other share compensation arrangements of the Company, exceeding 5% of the outstanding Common Shares;
- b) any reduction in the exercise price of an Option previously granted to an Insider; or
- c) the extension to the term of an outstanding Option, held by an Insider.

The 2022 Stock Option Plan provides that other terms and conditions may be attached to a particular Option at the discretion of the Board.

Employment, Consulting and Management Agreements

Effective October 1, 2021, the Company entered into an Independent Consulting Agreement with Mr. Peter Hughes concurrent with his appointment as President and CEO of the Company (the “**Hughes Agreement**”). Pursuant to the Hughes Agreement, the Company paid Mr. Hughes a monthly fee of \$10,000 for management and administration services and for acting as the Company’s President and CEO (the “**Consulting Fee**”). The Hughes Agreement had an initial term of 12 months and was to automatically renew for further 12-month terms until terminated. On May 26, 2023, concurrent with the termination of Mr. Hughes position as President and CEO of the Company, the Hughes Agreement was terminated. Pursuant to the terms of the Hughes Agreement, the Company is required to pay Mr. Hughes a maximum onetime payment equal to six (6) months of the Consulting Fee in the amount of \$60,000. This amount is currently being negotiated.

On July 12, 2012, the Company entered into a professional services agreement with Mr. Richard Lee (the “**Lee Agreement**”) pursuant to which the Company agreed to pay Mr. Lee a monthly fee to provide accounting and administrative services to the Company and to act as the Company’s CFO. The Lee Agreement was amended on June 1, 2014 and again on September 1, 2016 and on January 31, 2022 was terminated and replaced by a Professional Services Agreement (the “**Kitchener Agreement**”) between the Company and Kitchener Holdings Corp. (“**Kitchener**”) made effective February 1, 2022. Kitchener is a private company wholly owned by Mr. Lee. The Kitchener Agreement has a term of three years, to and until January 31, 2025. Pursuant to the terms of the Kitchener Agreement, the Company will pay Kitchener a base fee of \$3,000 per month, plus GST and will reimburse Kitchener for all business expenses incurred on behalf of the Company. In the event the Company or Kitchener terminates the Agreement for any reason, including but not limited to, any form of re-organization, change of control, amalgamation or takeover bid, the Company will pay to Kitchener an amount equal to 6 months base salary at that time. In the event the Kitchener Agreement is terminated by the Company without cause, all vested options held by Kitchener are exercisable for a period of ninety days prior to cancellation and unvested options, if any, shall be immediately cancelled. If Kitchener elects to terminate the Kitchener Agreement due to a change of control all unvested options would be immediately vested and all vested options would be exercisable for a period of ninety days prior to cancellation.

The Company entered into a consulting agreement with Standard Metals Exploration Ltd. (“Standard”) dated April 1, 2021 (the “Standard Agreement”), pursuant to which the Company pays a gross monthly fee equal to the greater of \$5,000 or the number of days of services provided by Standard multiplied by a per diem rate of \$1,000 (the “Consulting Fee”). The Standard Agreement had an initial term of six months and automatically renews for an indefinite term (the

“Extended Term”). The Company may terminate the Standard Agreement during the Extended Term upon 90 days written notice or upon payment of a one-time payment equivalent to the Consulting Fee then payable under the terms of the Standard Agreement for a period of 90 days. Standard is a private company wholly owned by Mr. David E. Blann.

Other than disclosed herein, the Company does not have any agreement or arrangement under which compensation was provided during the Company’s most recently completed financial year ended January 31, 2024 or is payable in respect of services provided to the Company that were performed by a director or 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

The objective of the Company’s compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company’s fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill and experience levels and the existing stage of development of the Company. Executive officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual’s experience and qualifications, the Company’s resources, industry practice, and regulatory guidelines regarding executive compensation levels.

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

The base compensation of the executive officers is reviewed and set annually by the Board. The CEO has substantial input in setting annual compensation levels. The CEO is directly responsible for the financial resources and operations of the Company. In addition, the CEO and Board from time to time determine the stock option grants to be made pursuant to the Company’s Stock Option Plan. Previous grants of stock options are taken into account when considering new grants. The Board awards bonuses at its sole discretion. The Board does not have pre-existing performance criteria or objectives.

Compensation for the most recently completed financial year 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.

Pension Plan Benefits

The Company does not have in place any pension plans that provide for payments or benefits at, following, or in connection with retirement.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the System for Electronic Document Analysis and Retrieval + (SEDAR+) website at www.sedarplus.ca.

DATED this 9th day of August, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Jason Bahnsen”

Jason Bahnsen
Chief Executive Officer