



**STATEMENT OF EXECUTIVE COMPENSATION**

**June 29, 2021**

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### GENERAL

For the purpose of this Statement of Executive Compensation:

“**Company**” means Smooth Rock Ventures Corp.;

“**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;

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) 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;
- (b) 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;
- (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; and
- (d) 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.

### DIRECTOR AND NEO COMPENSATION

#### *Director and NEO compensation, excluding options and compensation securities*

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary thereof, 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 thereof for each of the two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year Ended Dec 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Christopher Hobbs<sup>(1)</sup></b> <i>CFO, Corporate Secretary and Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	35,000	Nil	Nil	Nil	Nil	35,000
<b>Michel David<sup>(2)</sup></b> <i>Former Interim CEO and current Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Eric Falardeau<sup>(3)</sup></b> <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Alan Day<sup>(4)</sup></b> <i>Director, President and CEO</i>	2020	87,957	Nil	Nil	Nil	Nil	87,957
	2019	N/A	N/A	N/A	N/A	N/A	N/A
<b>Jeffrey Cocks<sup>(5)</sup></b> <i>Former CEO, former President and current Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	35,000 <sup>(6)</sup>	Nil	Nil	Nil	Nil	35,000
<b>Yves Caron<sup>(7)</sup></b> <i>Former CEO, former President and former director</i>	2020	N/A	N/A	N/A	N/A	N/A	N/A
	2019	78,363	Nil	Nil	Nil	Nil	78,363

(1) Christopher Hobbs was appointed a director on January 24, 2018; and was appointed Chief Financial Officer and Corporate Secretary on January 31, 2012.

(2) Michel David was elected a director on June 13, 2018, and also served as Interim CEO from December 17, 2019, to May 7, 2020.

(3) Eric Falardeau was appointed a director on May 2, 2019.

(4) Alan Day was appointed a director, President and CEO on May 7, 2020.

(5) Jeffrey Cocks has served as a director since December 12, 2006. He also served as CEO from July 22, 2011, to August 21, 2019, and President from June 13, 2018, to August 21, 2019.

(6) Management fees paid to West Isle Ventures Ltd., a private company wholly-owned by Jeffrey Cocks.

(7) Yves Caron served as CEO, President, and as a director from August 21, 2019, to December 17, 2019.

### 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 year ended December 31, 2020, 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 <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
Alan Day <i>Director, President and CEO</i>	Stock Options	500,000 stock options (500,000 underlying Shares: 0.097%)	May 7, 2020	0.07	0.07	0.08	March 1, 2024

(1) Percentage based on 51,466,726 common shares issued and outstanding as at December 31, 2020

Except as noted above, as at December 31, 2020, there were no other stock options held by directors and NEOs of the Company.

### *Exercise of Compensation Securities by Directors and NEOs*

As at December 31, 2020, an aggregate of 4,500,000 fully-vested stock options were issued and outstanding, including the following held by each director and NEO:

<b>Name of NEO/Director</b>	<b>Number of Stock Options</b>	<b>Date of Grant</b>	<b>Date of Expiry</b>	<b>Exercise Price</b>
Eric Falardeau	500,000	March 1 2019	March 1, 2024	\$0.075
Alan Day	500,000	May 7, 2020	May 7, 2025	0.07

### *Stock Option Plans and Other Incentive Plans*

The Company's current stock option plan (the "**Stock Option Plan**") provides that the board of directors of the Company (the "**Board**") may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase common shares in the capital of the Company. The Company's Stock Option Plan is a "rolling" stock option plan, whereby the aggregate number of common shares reserved for issuance, together with any other common shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued common shares (calculated on a non-diluted basis) at the time an option is granted.

The Stock Option Plan was last ratified by the shareholders of the Company on May 2, 2019, and subsequently by the TSX Venture Exchange (the "**Exchange**"). The Stock Option Plan provides for a floating maximum limit of 10% of the outstanding common shares, as permitted by the policies of the Exchange. As of the date of this Statement of Executive Compensation, the Company was eligible to grant up to 7,392,440 options under its Stock Option Plan and there are presently 4,000,000 options outstanding and 3,392,440 reserved and available for issuance. Incentive stock options to be issued in the future will be subject to the terms and conditions of the then stock option plan in effect.

The Stock Option Plan is administered by the Board and provides for grants of options to directors, executive officers, employees, and consultants of the Company at the discretion of the Board. The term of any options granted under the Stock Option Plan is fixed by the Board and may not exceed ten (10) years. The exercise price of options granted under the Stock Option Plan will be determined by the Board, but the exercise price must not be less than the discounted market price permitted by the Exchange. Any options granted pursuant to the Stock Option Plan will terminate at the end of the expiry date (to be determined in each instance by the Board at the time of grant, such period of time to not be in excess of six months after the option holder ceases to act as a director, executive officer, employee or consultant of the Company or any of its affiliates, unless such cessation is on account of death, disability or termination of employment with cause). If such cessation is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately. The Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the Company's shares. The Board may, at its discretion at the time of any grant, impose a schedule over which period of time the option will vest and become exercisable by the optionee.

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Stock Option Plan, provided that the Board may not do

any of the following without obtaining, within twelve (12) months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval, or by the written consent of the holders of a majority of the outstanding securities of the Company entitled to vote:

1. increase the aggregate number of common shares which may be issued under the Stock Option Plan;
2. materially modify the requirements as to the eligibility for participation in the Stock Option Plan which would have the potential of broadening or increasing Insider participation;
3. add any form of financial assistance or any amendment to a financial assistance provision which is more favourable to participants under the Stock Option Plan;
4. add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Stock Option Plan reserve; and
5. materially increase the benefits accruing to participants under the Stock Option Plan.

However, the Board may amend the terms of the Stock Option Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

1. amendments to the Stock Option Plan of a housekeeping nature;
2. a change to the vesting provisions of a security or the Stock Option Plan; and
3. a change to the termination provisions of a security or the Stock Option Plan which does not entail an extension beyond the original expiry date.

A full copy of the Stock Option Plan is available from the Company on written request.

#### ***Employment, Consulting and Management Agreements***

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

#### ***Termination and Change of Control Benefits***

The Company does not have any plan or arrangement to pay or otherwise compensate any Named Executive Officer if his employment is terminated as a result of resignation, retirement, change of control, or if his responsibilities change following a change of control.

#### ***Oversight and Description of Director and Named Executive Officer Compensation***

The Company does not have a formal compensation program. The Company currently does not pay directors who are not employees or officers of the Company for attending directors' meetings or for serving on committees. The Board is responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations with respect to the compensation of the Company's executive officers. The Board is responsible for all matters relating to the compensation of the directors and executive officers of the Company with respect to: (i) general

compensation goals and guidelines and the criteria by which bonuses and stock compensation awards are determined; (ii) amendments to any equity compensation plans adopted by the Board and changes in the number of shares reserved for issuance thereunder; and (iii) other plans that are proposed for adoption or adopted by the Company for the provision of compensation. The general objectives of the Company's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value; (b) align management's interests with the long term interests of shareholders; (c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

***Pension Disclosure***

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

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