

PPX MINING CORP.
(the "Company")

FORM 51-102F6
STATEMENT OF EXECUTIVE COMPENSATION
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Compensation Discussion and Analysis

Introduction

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's philosophy, objectives and processes regarding compensation for its senior management; specifically, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), and each of the three most highly compensated executive officers (other than the CEO and the CFO), or the three most highly compensated individuals acting in a similar capacity, during the year ended September 30, 2017 whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria but for the fact that such individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of such financial year (each a "Named Executive Officer" or a "NEO" and collectively, the "Named Executive Officers" or "NEOs"). This section explains how decisions regarding executive compensation are made and the reasoning behind these decisions and discusses the key elements of the Company's compensation program.

For the year ending September 30, 2017, the Company had the following Named Executive Officers:

- Brian Maher – President and CEO from March 1, 2013;
- Kimberly Ann Arntson – VP of Corporate Development from March 1, 2013, VP of Corporate Development and CFO from November 1, 2013 to February 1, 2017;
- Jorge D. Benavides – Chairman from February 21, 2017;
- Natasha Tsai – Interim Chief Financial Officer and Corporate Secretary from February 16, 2017 to September 30, 2017; and
- Meri Verli – Chief Financial Officer and Corporate Secretary from October 2, 2017.

The elements of the Company's compensation program

For the year ending September 30, 2017, compensation for the Named Executive Officers consisted of three primary elements: base salary/consulting fees, bonus and long-term equity incentives. The following provides an overview of the elements of compensation:

Compensation Element	Type of Compensation	Name of Plan	Performance Period	Form of Payment
Base Salary / Consulting Fees	Annual - Fixed Pay	Salary Program	1 year	Cash
Bonus	Annual - Variable Pay	Employee Bonus Plan	1 year	Cash or Shares
Long-Term Equity Incentives	Long Term - Variable Pay	Stock Option Plan	up to 5 years	Shares or Options

The Named Executive Officers also receive medical and dental plan coverage.

The objective of the Company's compensation program

The objective of the Company's compensation program is to attract and retain highly qualified and committed senior management by providing appropriate compensation and incentives intended to align the interests of senior management with those of the Company's shareholders in order to provide incentives for senior management to enhance shareholder value.

What the Company's compensation program is designed to reward

The Company's compensation program is designed to reward attaining the Company's business objectives as well as increases in shareholder value resulting from increases in the trading price of the shares due to increased value or potential value in the Company's operations.

Why the Company chooses to pay each element of its compensation program and how the Company determines the amount for each element

The Board uses all the data available to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and sufficient to retain personnel it considers essential to the success of the Company. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined point. In the Board's view, external and third-party survey data provides an insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. This is primarily due to the differences in the size of comparable companies and the lack of sufficient appropriate matches to provide statistical relevance.

In the process used by the Board to establish and adjust executive compensation levels, third-party survey data may be considered, along with an assessment of individual performance, experience and potential to contribute to operations and growth of the Company. The Board can exercise both positive and negative discretion in relation to the compensation awards and its allocation between cash and non-cash awards.

The Compensation Committee makes recommendations to the Board regarding total compensation to the Named Executive Officers of the Company, including base salaries, bonuses and long-term equity incentive grants. These recommendations are considered by the Board against information derived from publicly available information and adjusted, as applicable, for inflation and anticipated increases in the current year.

Salary/Consulting Fees. Base salary/consulting fees represent the fixed element of the Named Executive Officer's cash compensation. The base salary/consulting fees reflect economic considerations for each individual's level of responsibility, expertise, skills, knowledge and performance. Base salaries/consulting fees for the Named Executive Officers of the Company are reviewed annually by the Board in accordance with the terms of their respective employment agreement.

Annual Cash Bonus Awards. The Board has the authority, based upon the recommendation of the Compensation Committee, to award discretionary bonuses to the executive officers and other bonus participants. The annual bonus awards are intended to compensate officers and other employees for achieving superior financial and operational goals of the Company. The annual bonus may be paid in cash or shares. The actual amount of bonus is determined following a review of each participant's individual performance.

Bonuses awarded by the Board are intended to be competitive with the market while rewarding senior executives and other participants for meeting quantitative and qualitative goals, including delivering near-term financial and operating results, developing long-term growth prospects, improving the efficiency and effectiveness of business operations and building a culture of teamwork focused on creating long-term shareholder value. The Board considers not only the Company's performance during the year with respect to the quantitative goals, but also with respect to market and economic trends and forces, extraordinary internal and market-driven events, unanticipated developments and other extenuating circumstances. The Board analyzes the total mix of available information on a qualitative, rather than quantitative, as a basis to finalize bonus awards.

Long-Term Incentive Programs. The allocation of stock options and the terms designed in those options are an integral component of the compensation package of the senior officers of the Company. The Company has a stock option plan in place for the purpose of providing stock options to the officers. The Board believes that the grant of options to the executive officers and share ownership by such officers serves to motivate achievement of the Company's long-term strategic objectives and the result will benefit all shareholders of the Company. In addition, stock options are awarded to employees of the Company by the Board based upon the recommendation of the Chief Executive Officer, who bases his decision upon the level of responsibility and contribution of the individuals toward the Company's goal and objectives. Also, the Board considers the overall number of stock options that are outstanding relative to the number of outstanding common shares of the Company in determining whether to make any new grants of stock options and the size of such grants. The Company utilizes the Black-Scholes model in establishing the fair value of option grants.

Hedging Activities

The Company has no formal hedging policy in place with respect to purchases of securities by NEOs or directors designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such individuals, and to the Company's knowledge, no NEO or director has hedged the economic value of his or her direct or indirect interests in the market value of the Company's shares so held or granted as compensation.

Risk Assessment and Oversight

The Board is keenly aware of the fact that compensation practices can have unintended risk consequences. The Board has not proceeded to a formal evaluation of the implications of risks associated with the Company's compensation policies and practices, but the Board will continually review the Company's compensation policies to identify any practice that might encourage an employee to expose the Company to unacceptable risks. At the present time, the Board is satisfied that the current executive compensation program does not encourage the Company's executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation rewarding individuals for the success of the Company once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards. In addition, the number of options a particular NEO is entitled to receive is limited by the Company's option plan.

Compensation Committee

The Compensation Committee is responsible for recommending, monitoring and reviewing compensation policies and practices of the Company and administering the Company's equity compensation plan in consideration of those objectives. For the financial year ended September 30, 2017 the Compensation Committee was comprised of Jorge Benavides, Diego De La Torre De La Piedra and Brian Imrie, each of

whom is independent of the Company. Each such person has experience as a senior executive and as a board member of other companies, which includes general exposure to executive compensation policies and practices, but none has direct experience in human resources or otherwise explicitly with respect to executive compensation.

Summary Compensation Table

The following table sets forth all annual and long term compensation for services in all capacities to the Company for the three financial years of the Company up to September 30, 2017 in respect of each of the Named Executive Officers.

NEO Name and Principal Position ⁽¹⁾	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Brian Maher ⁽³⁾⁽⁴⁾ CEO	2017	351,019	Nil	260,172	132,480	Nil	Nil	Nil	743,671
	2016	383,198	Nil	65,247	Nil	Nil	Nil	Nil	448,445
	2015	319,001	Nil	122,417	Nil	Nil	Nil	Nil	441,418
Kimberly Ann Arntson ⁽³⁾⁽⁵⁾⁽⁶⁾ Former CFO, VP of Corporate Development	2017	518,287	Nil	260,172	Nil	Nil	Nil	Nil	778,459
	2016	258,563	Nil	65,247	Nil	Nil	Nil	Nil	323,810
	2015	219,901	Nil	122,417	Nil	Nil	Nil	Nil	342,318
Natasha Tsai ⁽⁷⁾⁽⁸⁾ Former Interim CFO	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Messrs. Maher and Ms. Arntson commenced their employment with the Company on March 1, 2013.

(2) The Company used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for each 2017 financial year calculation: (i) risk free interest rate of 1.0%, (ii) expected dividend yield of nil, (iii) expected stock price volatility of 102% and (iv) expected life of options of 5 years. The Company chose this methodology to record stock-based compensation at its fair value over the vesting period as compensation expense.

(3) Mr. Maher and Ms. Arntson are paid in US dollars. Their salary disclosure for each year is translated to Canadian dollars using the average exchange rate for each applicable year ended September 30 being 2015 US\$1.00 = CDN\$1.33, 2016 US\$1.00 = CDN\$1.32 and 2017 US\$1.00 = CDN\$1.31.

(4) Mr. Maher's salary compensation, in its entirety, is paid by the Company to a limited liability company owned by Mr. Maher.

(5) Ms. Arntson's salary compensation, in its entirety, is paid by the Company to a limited liability company owned by Ms. Arntson.

(6) Ms. Arntson ceased acting as CFO and Corporate Secretary of the Company on February 1, 2017. Ms. Arntson's salary compensation for the year ended September 30, 2017 included a payment of CAD\$279,086 (US\$224,247) on termination of her employment and a fee of CAD\$133,860 (US\$100,000) for providing transition services to the Company for a period of two months.

(7) Ms. Natasha Tsai is an employee of Malaspina Consultants Inc., which provides accounting services to the Company. The Company paid to Malaspina Consultants Inc. for the accounting and administrative services provided to the Company \$36,800 for the year ended September 30, 2017. Malaspina Consultants Inc. is a private company that provides outsourced accounting services to junior public companies.

(8) Ms. Tsai ceased acting as CFO and Corporate Secretary of the Company on September 30, 2017.

Incentive Plan Awards

Outstanding Share-Based and Option-Based Awards

The following table sets forth information concerning all awards outstanding at the end of the financial year ended September 30, 2017, including awards granted before such financial year, to each of the Named Executive Officers pursuant to the Company's stock option plan (see "Executive Compensation – Incentive Plan Awards – Description of Option Plan" below):

Name	Option-Based Awards				Share-based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (s)
Brian Maher CEO	1,200,000	0.26	02-28-2018	Nil	Nil	Nil	Nil
	500,000	0.15	09-30-2018	Nil	Nil	Nil	Nil
	1,000,000	0.16	10-28-2019	Nil	Nil	Nil	Nil
	1,000,000	0.10	10-15-2020	Nil	Nil	Nil	Nil
	3,950,000	0.10	11-01-2021	Nil	Nil	Nil	Nil
Kimberly Ann Arntson Former CFO, VP of Corporate Development	600,000	0.26	02-28-2018	Nil	Nil	Nil	Nil
	500,000	0.15	09-30-2018	Nil	Nil	Nil	Nil
	1,000,000	0.16	10-28-2019	Nil	Nil	Nil	Nil
	1,000,000	0.10	10-15-2020	Nil	Nil	Nil	Nil
	3,950,000	0.10	11-01-2021	Nil	Nil	Nil	Nil

Value Vested Or Earned During The Year

The value vested or earned during the financial year ended September 30, 2017 of incentive plan awards granted to Named Executive Officers are as follows:

NEO Name	Option-Based Awards - Value Vested During The Year ⁽¹⁾ (\$)	Share-Based Awards Value Vested During Year -	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Brian Maher CEO	Nil	Nil	Nil
Kimberly Ann Arntson Former CFO, VP of Corporate Development	Nil	Nil	Nil

(1) This amount is the dollar value that would have been realized if the options had been exercised on the grant date. The amount is computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the grant date.

Description of Option Plan

The Company has a stock option plan (the "**Option Plan**") pursuant to which the Board may, from time to time, grant options to directors, officers, employees and consultants of the Company.

The purpose of the Option Plan is to allow the Company to grant options to directors, officers, employees and consultants, as additional compensation and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to ten years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted (or, if the grant is not announced, the closing market price prevailing on the day that the option is granted) less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Option Plan, the Board of Directors may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Option Plan contains no vesting requirements (other than for Optionees engaged in investor relations activities, in which case options vest in stages over a period of 12 months), but permits the Board of Directors to specify a vesting schedule in its discretion. The Option Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The maximum number of shares which may be issued pursuant to options previously granted and those granted under the Option Plan will be 10% of the issued and outstanding shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed (without disinterested shareholder approval) 5% of the issued shares on a yearly basis or 2% if the optionee is a consultant. The number of shares which may be reserved for issuance to all persons engaged in investor relations activities may not exceed 2% of the issued shares on a yearly basis. The number of shares which may be reserved for issuance to insiders of the Company as a group may not exceed (without disinterested shareholder approval) 10% of the issued shares on a yearly basis.

The Option Plan provides that on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Company, provided that the board of directors may extend this 90-day termination date to a later date within a reasonable period in accordance with applicable policies of the Exchange.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination and Change of Control Benefits

Effective March 1, 2013, the Company entered into agreement with Brian Maher to act as President and Chief Executive Officer (the "**Maher Agreement**"). The agreement provides that, in the event of

termination by the Company without cause other than following a change of control, the Company shall pay such person (i) his annual salary; and (ii) the average annual bonus during the preceding three years.

As used below, a "change of control" shall be deemed to have occurred if:

- (a) the acquisition by any person or group of persons acting jointly or in concert, of common shares of the Company which, when added to all other common shares of the Company at the time held by such person or persons acting jointly or in concert, constitutes for the first time in the aggregate 20% or more of the common shares and within six months of such acquisition there are elected to the Company's board a majority of board members who were not board members prior to the acquisition; or
- (b) the removal, by special meeting of the shareholders of the Company, of more than 51% of the then incumbent board of the Company, or the election of a majority of board members to the Company's board who were not nominees of the Company's incumbent board at the time immediately preceding such election; or
- (c) consummation of a sale of all or substantially all of the assets of the Company; or
- (d) the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as (a) to (c) above.

All unvested stock options shall vest upon a change of control, which is consistent with the Option Plan, described above under the section "Executive Compensation – Incentive Plan Awards – Description of Option Plan".

The Maher Agreement provides that, in the event of termination of the executive by the Company within 12 months following a change of control, or in the event of resignation by the executive for good reason (as defined below) during such period, the executive shall be entitled to a severance payment equal to two times his annual salary and two times his average annual bonus during the preceding three years.

"**Good reason**" means the occurrence of one of the following events within 12 months following a change of control, without the express written consent of the applicable executive:

- (a) the assignment by the Company of any substantially different duties inconsistent with the executive's services, duties and status with the Company immediately prior to such change in assigned duties; or
- (b) any other events or circumstances which would constitute a constructive dismissal of an employee at common law.

The Maher Agreement provides for a base salary of US\$265,000 per annum. If Mr. Maher had been terminated without cause as at September 30, 2017, he would have been entitled to a payment of US\$265,000. If a change of control had occurred on September 30, 2017 and if within 12 months of such date he resigned for good reason or was terminated without cause, he would have been entitled to receive a payment of US\$530,000 and option-based awards of nil.

In accordance with her employment agreement, Ms. Arntson received a payment of US\$224,247 on termination of her employment and her stock options continue for the remainder of their terms. In connection with the termination Ms. Arntson agreed to provide transition services to the Company for a period of two months for US\$100,000.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors, who are each not also a Named Executive Officer, for the Company's financial year ended September 30, 2017:

Director Name ⁽¹⁾	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Brian Imrie	Nil	Nil	88,920	Nil	Nil	Nil	88,920
Jorge Benavides	Nil	Nil	128,439	Nil	Nil	Nil	128,439
Felix Navarro-Grau Hurtado	Nil	Nil	88,920	Nil	Nil	Nil	88,920
Diego de la Torre de la Piedra	Nil	Nil	65,866	Nil	Nil	Nil	65,866
Miguel Fernando Arias Vargas	Nil	Nil	65,866	Nil	Nil	Nil	65,866
John Menzies	Nil	Nil	30,274	Nil	Nil	Nil	30,274
Florian Siegfried	Nil	Nil	30,274	Nil	Nil	Nil	30,274
John Thomas	Nil	Nil	30,274	Nil	Nil	Nil	30,274

(1) Brian Maher, President and CEO of the Company, also serves as a director, but is not compensated in such capacity.

(2) The Company used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following weighted average assumptions and estimates for each 2017 financial year calculation: (i) risk free interest rate of 1.0%, (ii) expected dividend yield of nil, (iii) expected stock price volatility of 102% and (iv) expected life of options of 5 years. The Company chose this methodology to record share-based compensation at its fair value over the vesting period as compensation expense.

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the financial year or subsequently, up to and including the date of this Information Circular, except for the Company's Option Plan for the granting of incentive stock options to the officers, employees and Directors. See "Executive Compensation – Incentive Plan Awards – Description of Option Plan" in this Information Circular for further information regarding the Option Plan. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders. Options are granted to Directors at the Board's discretion in a similar manner as options granted to NEOs, as described under "Compensation Discussion and Analysis" in this Information Circular.

Incentive Plan Awards *Outstanding Share-Based and Option-Based Awards*

The following table sets forth information concerning all awards outstanding at the end of the financial year ended September 30, 2017, including awards granted before such financial year, to each of the Directors who are not Named Executive Officers:

Director Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Brian Imrie	550,000	0.15	09-30-2018	Nil	Nil	Nil	Nil
	700,000	0.16	10-28-2019	Nil	Nil	Nil	Nil
	1,000,000	0.10	10-15-2020	Nil	Nil	Nil	Nil
	1,350,000	0.10	11-01-2021	Nil	Nil	Nil	Nil
Jorge Benavides	700,000	0.16	10-28-2019	Nil	Nil	Nil	Nil
	1,550,000	0.10	10-15-2020	Nil	Nil	Nil	Nil
	1,950,000	0.10	11-01-2021	Nil	Nil	Nil	Nil
Felix Navarro-Grau Hurtado	1,000,000	0.10	10-15-2020	Nil	Nil	Nil	Nil
	1,350,000	0.10	11-01-2021	Nil	Nil	Nil	Nil
Diego de la Torre de la Piedra	1,000,000	0.10	10-15-2020	Nil	Nil	Nil	Nil
	1,000,000	0.10	11-01-2021	Nil	Nil	Nil	Nil
Miguel Fernando Arias Vargas	1,000,000	0.10	11-01-2021	Nil	Nil	Nil	Nil
John Menzies	600,000	0.07	08-30-2022	3,000	Nil	Nil	Nil
Florian Siegfried	600,000	0.07	08-30-2022	3,000	Nil	Nil	Nil
John Thomas	600,000	0.07	08-30-2022	3,000	Nil	Nil	Nil

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at September 30, 2017, which was \$0.075 per share, and the exercise or base price of the option.

Value Vested Or Earned During The Year

The value vested or earned during the financial year ended September 30, 2017 of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

Director Name	Option-Based Awards - Value Vested During The Year ⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Brian Imrie	Nil	Nil	Nil
Jorge Benavides	Nil	Nil	Nil
Felix Navarro-Grau Hurtado	Nil	Nil	Nil
Diego de la Torre de la Piedra	Nil	Nil	Nil
Miguel Fernando Arias Vargas	Nil	Nil	Nil
John Menzies	Nil	Nil	Nil

Director Name	Option-Based Awards - Value Vested During The Year ⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Florian Siegfried	Nil	Nil	Nil
John Thomas	Nil	Nil	Nil

- (1) This amount is the dollar value that would have been realized if the options had been exercised on the grant date, as all options were fully vested on the date of grant. The amount is computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the grant date.