



KORE MINING LTD.
(the “Company”)

Form 51-102F6V
Statement of Executive Compensation – Venture Issuers
(for the year ended December 31, 2020)

For the purpose of this Statement of Executive Compensation:

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**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;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**named executive officer**” or “**NEO**” 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 chief executive officer;
- (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 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;
- (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;

“**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

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* and provides details of all compensation for each of the directors and named executive officers of the Company for the years ended December 31, 2020 and 2019.

During the financial year ended December 31, 2020, the Company had four (4) NEOs: Scott Trebilcock, President, CEO and a director, Jessica Van Den Akker, CFO, James Hynes, Executive Chairman and former Chief Operating Officer (“COO”) and Marc Leduc, COO. There were no other executive officers of the Company who individually earned more than \$150,000 in total compensation. There were six (6) individuals who served as a director of the Company for all or part of the fiscal year, two of which were also a Named Executive Officer of the Company, namely Scott Trebilcock and James Hynes.

Director and Named Executive Officer Compensation (excluding Compensation Securities)

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each current and former NEO and director, in any capacity, for the years ended December 31, 2020 and 2019.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Scott Trebilcock ⁽¹⁾ President, CEO and a Director	2020	200,000	125,000	Nil	Nil	Nil	325,000
	2019	100,000	Nil	Nil	Nil	Nil	100,000
Jessica Van Den Akker ⁽²⁾ CFO	2020	127,500	62,500	Nil	Nil	Nil	190,000
	2019	50,000	Nil	Nil	Nil	Nil	50,000
James Hynes ^{(3) (4) (10)} Executive Chairman	2020	200,000	125,000	Nil	Nil	Nil	325,000
	2019	225,000	Nil	Nil	Nil	Nil	225,000
Marc Leduc ⁽⁵⁾ COO	2020	250,016	Nil	Nil	19,188	Nil	269,204
	2019	45,250	Nil	Nil	Nil	Nil	Nil
Brendan Cahill ⁽⁶⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Robert J ("Don") MacDonald ⁽⁶⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Harry Pokrandt ⁽⁶⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Adrian Rothwell ^{(7) (8)} Former President and CEO and a Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	166,667	Nil	Nil	Nil	Nil	166,667

Notes:

- (1) Mr. Trebilcock has served as President and CEO and director since July 3, 2019. Compensation is paid for Mr. Trebilcock's duties as CEO in the form of management fees paid to Faerun Consulting Inc, a company controlled by Mr. Trebilcock.
- (2) Ms. Van Den Akker as served as CFO since February 1, 2019. Management fees are paid to J. Van Consulting Inc., a company controlled by Ms. Van Den Akker.
- (3) Mr. Hynes has served as director since October 30, 2018 and served as COO from October 30, 2018 to October 29, 2019.
- (4) Management fees paid to 1081646 BC Ltd, a company controlled by Mr. Hynes. 1081646 BC Ltd. receives \$200,000 per year pursuant to a consulting agreement dated July 1, 2016; all compensation is paid for his role as Executive Chairman.
- (5) Mr. Leduc has served as COO since October 29, 2019.
- (6) Messrs. Pokrandt MacDonald and Cahill have served as directors on October 30, 2018.
- (7) Mr. Rothwell received \$250,000 per year pursuant to a consulting agreement dated July 1, 2016.
- (8) Mr. Rothwell has served as a director since October 30, 2018 and served as the President and CEO from October 30, 2018 to July 3, 2019.

Stock Options and Other Compensation Securities

Particulars of the compensation securities granted or issued to each director and named executive officer by the Company during the year ended December 31, 2020, for services provided or to be provided, directly or indirectly, to the Company are set out below:

Compensation Securities							
Name and Position	Type of compensati on 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 ⁽¹⁾ (\$)	Expiry date
Scott Trebilcock ⁽²⁾ President, CEO and a Director	Stock Options	NIL	N/A	N/A	N/A	N/A	N/A
	Restricted Share Units	75,000 RSUs, 30.24% of class	December 30, 2020	\$1.66	\$1.73	\$1.71	December 30, 2023
Jessica Van Den Akker ⁽³⁾ CFO	Stock Options	300,000 options to acquire 300,000 shares, 3.63% of class ⁽⁴⁾	April 28, 2020	\$0.43	\$0.43	\$1.71	April 27, 2025
	Restricted Share Units	38,000 RSUs, 15.32% of class	December 30, 2020	\$1.66	\$1.73	\$1.71	December 30, 2023
James Hynes ⁽⁴⁾ Executive Chairman	Stock Options	NIL	N/A	N/A	N/A	N/A	N/A
	Restricted Share Units	75,000 RSUs, 30.24% of class	December 30, 2020	\$1.66	\$1.73	\$1.71	December 30, 2023
Marc Leduc ⁽⁵⁾ COO	Stock Options	500,000 options to acquire 500,000 shares, 6.05% of class	April 28, 2020	\$0.43	\$0.43	\$1.71	April 27, 2025
	Restricted Share Units	60,000 RSUs, 24.19% of class	December 30, 2020	\$1.66	\$1.73	\$1.71	December 30, 2023
Brendan Cahill ⁽⁶⁾ Director	Stock Options	NIL	N/A	N/A	N/A	N/A	N/A
	Restricted Share Units	NIL	N/A	N/A	N/A	N/A	N/A

Compensation Securities							
Name and Position	Type of compensation on 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 ⁽¹⁾ (\$)	Expiry date
Robert J. (Don) MacDonald ⁽⁷⁾ Director	Stock Options	NIL	N/A	N/A	N/A	N/A	N/A
	Restricted Share Units	NIL	N/A	N/A	N/A	N/A	N/A
Harry Pokrandt ⁽⁸⁾ Director	Stock Options	NIL	N/A	N/A	N/A	N/A	N/A
	Restricted Share Units	NIL	N/A	N/A	N/A	N/A	N/A
Adrian Rothwell ⁽⁹⁾ Former President and CEO and a Director	Stock Options	NIL	N/A	N/A	N/A	N/A	N/A
	Restricted Share Units	NIL	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Reflects the closing price of the common shares of the Company on the Exchange (as defined below) on December 31, 2020.
- (2) As at December 31, 2020, Mr. Trebilcock held a total of 2,600,000 stock options representing 31.45% of the options outstanding and 75,000 restricted share units representing 30.24% of the restricted share units outstanding.
- (3) As at December 31, 2020, Ms. Van Den Akker held a total of 450,000 stock options representing 5.44% of the options outstanding and 75,000 restricted share units representing 15.32% of the restricted share units outstanding.
- (4) As at December 31, 2020, Mr. Hynes held a total of 750,000 stock options representing 9.07% of the options outstanding and 75,000 restricted share units representing 30.24% of the restricted share units outstanding.
- (5) As at December 31, 2020, Mr. Leduc held a total of 1,000,000 stock options representing 12.10% of the options outstanding and 60,000 restricted share units representing 24.19% of the restricted share units outstanding.
- (6) As at December 31, 2020, Mr. Cahill held a total of 750,000 stock options representing 9.07% of the options outstanding.
- (7) As at December 31, 2020, Pokrandt held a total of 750,000 stock options representing 9.07% of the options outstanding.
- (8) As at December 31, 2020, Mr. Rothwell held a total of 750,000 stock options representing 9.07% of the options outstanding.

Exercise of Compensation Securities

During the year ended December 31, 2020 none of the directors or NEOs of the Company exercised any compensation securities other than below:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price of security or underlying security on date of exercise (\$)	Difference between exercise price and closing price of security on the date of exercise (\$)	Total value on exercise date
Adrian Rothwell Former President and CEO and a Director	Options	333,333	\$0.14	April 21, 2020	\$0.28	\$0.14	\$46,667

Stock Option Plans and Other Incentive Plans

Option Plan

The Company has in effect a “rolling” stock option plan (the “**Option Plan**”) which sets the number of options available for grant by the Company at an amount equal to up to a maximum of 10% of the Company's issued and outstanding common shares from time to time, less any common shares reserved for issuance under other share compensation arrangements. The Stock Option Plan was re-approved at the October 9, 2020 annual and special general meeting of the Company’s shareholders.

The purpose of the Option Plan is to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company’s shareholders. The Company has no equity compensation plans other than the Option Plan and the Omnibus Plan. Some of the key provisions of the Option Plan are as follows:

- the Option Plan reserves, for issue pursuant to stock options, a maximum number of common shares equal to 10% of the outstanding common shares of the Company from time to time;
- the number of common shares reserved for issue to any one person in any 12 month period under the Option Plan may not exceed 5% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the TSX-Venture Exchange);
- the number of common shares reserved for issue to any persons performing Investor Relations Activities on behalf of the Company in any 12 month period under the Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- stock options granted to Consultants performing Investor Relations Activities must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than ¼ of the options vesting in any 3 month period;
- the grant to Insiders within a 12 month period, of a number of options may not exceed 10% of the outstanding common shares at the time of exercise without Disinterested Shareholder Approval;
- the issuance to any one optionee within a 12 month period, of a number of shares exceeding 5% of the outstanding common shares at the time of granting the options without Disinterested Shareholder Approval;
- the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the TSX-Venture Exchange), subject to a minimum price of \$0.10;
- stock options may have a term not exceeding five years;
- if an optionee dies prior to the expiry of his, her or their option, his, her or their heirs, administrators or legal representatives may, by the earlier of (a) one year from the date of the optionee's death (or such lesser period as may be specified by the Board at the time of granting the option); and (b) the expiry date of the option, exercise any portion of such option;
- if an optionee ceases to be a Director, Officer, Employee or Consultant for any reason other than death, such optionee's option will terminate within a reasonable period;
- stock options are non-assignable and non-transferable; and
- the Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of stock options in the event of a share consolidation or subdivision of the Company’s common shares, or if the Company is a party to a reorganization, merger, dissolution or its common shares are exchanged or reclassified in any way.

Omnibus Plan

Purpose

The purpose of the Company's omnibus plan ("**Omnibus Plan**") is to assist the Company and its affiliates in attracting and retaining individuals to serve as employees, directors, consultants or advisors who are expected to contribute to the Company's success and to achieve long-term objectives that will benefit shareholders of the Company.

Types of Awards

The Omnibus Plan provides for the grant of restricted share units ("**Restricted Share Units**"), deferred share units ("**Deferred Share Units**"), performance awards ("**Performance Awards**") and other share-based awards ("**Other Share-Based Awards**") (each an "**Award**" and, collectively, the "**Awards**"). All Awards are granted by an agreement, certificate or other instrument or document evidencing the Award granted under the Omnibus Plan (an "**Award Agreement**").

A Restricted Share Unit is an Award that is valued by reference to a common share of the Company ("**Share**"), which value may be paid to the participant in Shares or cash as determined by the Board in its sole discretion upon the satisfaction of vesting restrictions as the Board may establish, which restrictions may lapse separately or in combination at such time or times, in installments or otherwise, as the Board may deem appropriate, all as set out in the applicable Award Agreement.

A Deferred Share Unit is essentially a Restricted Share Unit with deferred delivery, being an Award that is valued by reference to a Share, which value may be paid to the Participant in Shares or cash as determined by the Board in its sole discretion upon the satisfaction of vesting restrictions as the Board may establish, which restrictions may lapse separately or in combination at such time or times, in installments or otherwise, as the Board may deem appropriate, all as set out in the applicable Award Agreement.

A Performance Award is any: (i) cash incentives payable to the participant upon the achievement of such performance goals as the Board shall establish, as set out in the applicable Award Agreement; (ii) unit valued by reference to a designated number of Shares, which value may be paid to the Participant upon achievement of such performance goals as the Board shall establish, as set out in the applicable Award Agreement; or (iii) unit valued by reference to a designated amount of cash or property other than Shares, which value may be paid to the participant upon achievement of such performance goals during the performance period as the Board shall establish, as set out in the applicable Award Agreement.

Other Share-Based Awards are other Awards that are valued in whole or in part by reference to, or are otherwise based on, Shares or other property.

Plan Administration

The Omnibus Plan is administered by the Board or a subcommittee thereof formed by the Board.

Limitation on Grants

The Omnibus Plan provides the follow limitations on grants:

1. The maximum number of Shares issuable upon the exercise or redemption and settlement of all Awards granted under the Omnibus Plan is not expected to exceed 5,303,746.
2. The Company cannot grant Awards:
 - (a) to any one person in any 12 month period which could, when exercised, result in the issuance of Shares to such person exceeding 5% of the issued and outstanding Shares unless the Company has obtained the requisite approval to the grant;
 - (b) to any one consultant in any 12 month period which could, when exercised, result in the issuance of Shares to such person exceeding 2% of the issued and outstanding Shares; or
 - (c) in any 12 month period, to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of Shares to such persons

exceeding, in aggregate, 2% of the issued and outstanding Shares.

Eligible Participants

Any employee, director, or consultant of the Company or any of its Affiliates is eligible to be selected to receive an Award under the Omnibus Plan. Eligibility for the grant of Awards and actual participation in the Omnibus Plan is determined by the Board in its discretion.

Effect of Termination

Unless otherwise provided for in an Award Agreement or determined by the Board on an individual basis, in the event of the Participant's:

1. **Termination for Cause:** All of the participant's vested and unvested Awards immediately terminate;
2. **Termination not for Cause:** All of the participant's unvested Awards immediately terminate and any vested Awards remain exercisable until the earlier of 90 days following the termination date and the expiry date of the Award;
3. **Voluntary Resignation:** All of the participant's unvested Awards are immediately forfeited on the termination date and any vested Awards remain exercisable until the earlier of 90 days following the termination date and the expiry date of the Award;
4. **Termination due to Disability or Retirement:** All of the participant's unvested Awards immediately terminate and become void and any vested Awards remain exercisable until the earlier of 90 days following the date of retirement or the date on which the participant ceases his or her employment or service relationship with the Company or any Affiliate by reason of permanent disability and the expiry date of the Award;
5. **Termination Due to Death:** Any vested Award granted to such a participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the participant for that number of Shares only which such participant was entitled to acquire under the respective Award (the "**Vested Awards**") on the date of such participant's death. Such Vested Awards shall only be exercisable or redeemable within six months after the participant's death or prior to the expiration of the original term of the Award whichever occurs earlier; or
6. **Termination due to Extended Leave of Absence:** The Board may determine, at its sole discretion but subject to applicable laws, that such participant's participation in the Omnibus Plan shall be terminated, provided that all vested Awards granted to the participant shall remain outstanding and in effect until the applicable exercise or redemption date, or an earlier date determined by the Board at its sole discretion.

The date of termination of a participant's employment or services will be determined by the Board, which determination will be final.

Change of Control

In the event of a Change of Control (as defined in the Omnibus Plan), unless otherwise provided in an Award Agreement or any other written agreement between the Company and the participant, the Board will take one or more of the following actions with respect to Awards, contingent upon the closing or completion of the Change of Control:

1. arrange for the surviving Company or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Award or to substitute a similar award (including, but not limited to, an award to acquire the same consideration paid to the shareholders of the Corporation pursuant to the Change of Control);
2. arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Shares issued pursuant to the Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);
3. accelerate the vesting, in whole or in part, of the Award (and, if applicable, the time at which the Award may be exercised) to a date prior to the effective time of such Change of Control as the Board determines

(or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Change of Control), with such Award terminating if not exercised (if applicable) at or prior to the effective time of the Change of Control in accordance with the exercise procedures determined by the Board (in all cases with such acceleration of vesting and exercisability still contingent upon the closing or completion of the Change of Control as provided above, and with any such acceleration of vesting and/or exercise to be unwound if the Change of Control does not actually occur);

4. arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Award;
5. cancel or arrange for the cancellation of the Award, to the extent not vested or not exercised prior to the effective time of the Change of Control, in exchange for no consideration or such consideration, if any, as the Board, in its sole discretion, may consider appropriate; or
6. cancel or arrange for the cancellation of the Award, to the extent not vested or not exercised prior to the effective time of the Change of Control, in exchange for a payment, in such form as may be determined by the Board, equal to the excess, if any, of (a), the per share amount (or value of property per share) payable to holders of common shares in connection with the Change of Control, over (b) the per share exercise price under the applicable Award, multiplied by the number of Shares subject to the Award. For clarity, this payment may be \$0 if the amount per share (or value of property per share) payable to the holders of the Common Shares is equal to or less than the per share exercise price of the Award. In addition, any escrow, holdback, earnout or similar provisions in the definitive agreement for the Change of Control may apply to such payment to the holder of the Award to the same extent and in the same manner as such provisions apply to the holders of Common Shares.

Assignment

Except as specifically provided in an Award Agreement approved by the Board, each Award granted under the Omnibus Plan is personal to the Participant and shall not be assignable or transferable by the participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased participant.

Notwithstanding the foregoing, to the extent and under such terms and conditions as determined by the Board, a participant may assign or transfer an Award without consideration (each transferee thereof, a “**Permitted Assignee**”) (i) to a trust which the Participant is a beneficiary of; (ii) to a holding entity (as such term is defined in National Instrument 45-106 - *Prospectus Exemptions*) of such Participant; or (iii) to an RRSP, RRIF or TFSA of such Participant; provided that such Permitted Assignee shall be bound by and subject to all of the terms and conditions of the Omnibus Plan and the Award Agreement relating to the transferred Award and shall execute an agreement satisfactory to the Company evidencing such obligations; and provided further that such Participant shall remain bound by the terms and conditions of the Omnibus Plan. The Company shall cooperate with any Permitted Assignee and the Company’s transfer agent in effectuating any such permitted transfer. No Award may be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.

Amendment

The Board may suspend or terminate the Omnibus Plan at any time, or from time to time amend or revise the terms of the Omnibus Plan or any granted Award without the consent of the participants provided that such suspension, termination, amendment or revision shall:

1. not adversely alter or impair the rights of any participant, without the consent of such participant except as permitted by the provisions of the Omnibus Plan;
2. be in compliance with applicable law; and
3. be subject to shareholder approval where required by law or the requirements of any applicable stock exchange that the Company is then listed on.

The Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Company but subject to applicable laws and the rules of any applicable stock exchange that the Company is then listed on, make the following amendments to the Omnibus Plan:

1. any amendment to the vesting provisions, if applicable, or assignability provisions of any Awards;
2. any amendment regarding the effect of termination of a participant's employment or engagement;
3. any amendment necessary to comply with applicable law or the requirements of any applicable stock exchange that the Company is then listed on or any other regulatory body;
4. any amendment of a "housekeeping" nature, including to clarify the meaning of an existing provision of the Omnibus Plan, correct or supplement any provision of the Omnibus Plan that is inconsistent with any other provision of the Omnibus Plan, correct any grammatical or typographical errors or amend the definitions in the Omnibus Plan;
5. any amendment regarding the administration of the Omnibus Plan;
6. any amendment to add provisions permitting the grant of Awards settled otherwise than with Common Shares issued from treasury, or adopt a clawback provision applicable to equity compensation; and
7. any other amendment that does not require the approval of the shareholders of the Company under the Omnibus Plan.

Shareholder approval or Disinterested Shareholder Approval (as defined in the Omnibus Plan) is required to make the following amendments:

1. any amendment which extends the expiry date of any Award, except in accordance with provisions of the Omnibus Plan;
2. any amendment which increases the maximum number of restricted share units, deferred share units, performance awards, or other Awards which may be granted pursuant to the Omnibus Plan;
3. any amendment that would permit an Award to be transferable or assignable other than for normal estate settlement purposes or in accordance with the Omnibus Plan; and
4. any amendment to the amendment provisions of the Omnibus Plan; or
5. any other amendment required to be approved by shareholders under applicable law or required by any applicable stock exchange that the Company is then listed on.

Awards Issued under the Omnibus Plan

As of December 30, 2020, there were 248,000 Restricted Share Units issued under the Omnibus Plan.

Employment, Consulting and Management Agreements

Other than as set forth below, the Company does not have any agreement or arrangement 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: (a) performed by a NEO or director of the Company; or (b) performed by any other party which provided services that are typically provided by a NEO or a director of the Company.

Pursuant to a consulting agreement dated July 1, 2016 between 1184938 BC Ltd. (formerly KORE Mining Ltd.) and 1081646 BC Ltd., a company controlled by Mr. Hynes, 1184938 BC Ltd. agreed to pay 1081646 BC Ltd. a consulting fee of \$20,833 per month for a term of two years, which may be extended for a further two years. The agreement may be terminated at any time by the company with 60 days' notice. In the event the agreement is terminated in the 12 month period following a Change of Control (as defined in the agreement between 1081646 BC Ltd. and the Company), the Company must pay 1081646 BC Ltd. a lump sum payment equal to 24 months' fees and all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) 12 months after the date on which the consulting agreement is terminated. In July 2019, the parties agreed that the monthly fee would be reduced to \$16,667 per month.

Pursuant to a consulting agreement dated July 3, 2019 between the Company and Faerun Consulting Inc. ("Faerun"), a company controlled by Mr. Trebilcock, the Company agreed to pay Faerun a consulting fee of \$16,666 per month

for a term of two years, which may be extended for a further two years. The agreement may be terminated by the Company with twelve months' written notice or payment of fees in lieu thereof, provided that all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) twelve months after the date on which the agreement is terminated; or for a material breach of the agreement. In the event the agreement is terminated in the twelve-month period following a Change of Control (as defined in the agreement between Faerun and the Company), the Company must pay Faerun a lump sum payment equal to twenty four months' fees and all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) twelve months after the date on which the consulting agreement is terminated.

Pursuant to a consulting agreement dated April 21, 2020 between the Company and Mark Leduc, P. Eng., ("**Leduc**"), the Company agreed to pay Leduc a consulting fee of US\$18,000 per month for a term of twelve months, which may be extended by mutual agreement. In the event the agreement is terminated in the twelve-month period following a Change of Control (as defined in the agreement between Leduc and the Company), the Company must pay Leduc a lump sum payment equal to twenty four months' fees and all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) twelve months after the date on which the consulting agreement is terminated. In July 2020, Leduc became an employee of a wholly owned subsidiary of the Company, while all other aspects of the agreement continue.

Pursuant to a consulting agreement dated January 1, 2020 between the Company and J. Van Consulting Inc. ("**J. Van**"), a company controlled by Jessica Van Den Akker, the Company agreed to pay J. Van a consulting fee of \$7,500 per month for a term of twelve months, which may be extended for additional one year terms at the direction of the Company's CEO and Board. The agreement may be terminated by the Consultant with 60 days' written notice and by the Company for any reason within 90 days written notice or payment in fees in lieu thereof or for a material breach. All unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) twelve months after the date on which the agreement is terminated. In the event the agreement is terminated in the twelve-month period following a Change of Control (as defined in the agreement between J. Van and the Company), the Company must pay J. Van a lump sum payment equal to twelve months' fees and all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) twelve months after the date on which the consulting agreement is terminated. Effective September 1, 2020, the monthly fee was increased to \$12,000 per month.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

The Company's compensation and governance committee (the "**Compensation and Governance Committee**"), through discussions without any formal objectives, criteria or analysis, is responsible for determining all forms of compensation to be granted to the directors of the Company to be recommended to the Board of Directors for approval. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance and the availability of financial and other resources of the Company.

Non-executive directors do not currently receive directors' fees or fees for participation on committees of the Board of Directors. Long-term incentives in the form of stock options are granted to non-executive directors from time to time, based on an existing complement of long-term incentives, corporate performance and to be competitive with other companies of similar size and scope. The Compensation and Governance Committee will annually review the Board of Directors' performance, and will report and make recommendations accordingly.

Compensation of NEOs

The Compensation and Governance Committee is responsible for determining all forms of compensation to be paid to the CEO, and for reviewing the CEO's recommendations regarding compensation of the other NEOs of the Company, to ensure such arrangements reflect the performance of each NEO in light of the corporate goals and objectives relevant to such compensation.

The key objectives of the Company's executive compensation program are: (i) recruiting and retaining executives 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. In order to achieve these objectives, the compensation paid to NEOs consists of base salary and/or long-term incentives in the form of stock options, as set out below.

The Company's executive compensation program is designed to retain, encourage, compensate and reward executives on the basis of individual and corporate performance, both in the short- and the long-term. Base salaries will be based on a number of factors enabling the Company to compete for and retain executives critical to the Company's long-term success. Share ownership opportunities through stock options will be provided to align the interests of executive officers with the longer term interests of shareholders.

In determining specific compensation amounts for executive officers, the Compensation and Governance Committee considers factors such as experience, individual performance, length of service, contribution towards the achievement of corporate objectives and positive exploration and development results, stock price and compensation compared to other employment opportunities for executive officers.

Compensation paid to NEOs during the fiscal year ended December 31, 2020 is noted in the table above, which includes aggregate bonuses of \$312,500 and 248,000 RSUs. The Company has contractual arrangements with its Executive Chairman, CEO, CFO, and COO, all of which is described under "*Employment, Consulting and Management Agreements*". The amount of bonus and RSUs awarded was informally based on Company performance, including factors such as: safety and environmental incidents, issuance of technical reports, share price and valuation metrics, and exploration work completed, while taking into account pay structures for similar companies in terms of size, asset and stage of development. The cash portion of the bonus will be deferred until completion of a subsequent financing.

The Board of Directors has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board of Directors when implementing its compensation policies and the Board of Directors do not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Pension disclosure

The Company does not have a pension plan, retirement plan, deferred compensation plan or similar plan at this time.