



Suite 114 – 990 Beach Avenue
Vancouver, British Columbia V6Z 2N9

(the “Company”)

FORM 51-102F6

STATEMENT OF EXECUTIVE COMPENSATION

(for the year ended December 31, 2017)

For the purpose of this Statement of Executive Compensation:

"**Chief Executive Officer**" or "**CEO**" of the Company means an individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the financial year ended December 31, 2017.

"**Chief Financial Officer**" or "**CFO**" of the Company means an individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the financial year ended December 31, 2017.

"**closing market price**" means the price at which the Company's security was last sold, on the applicable date, in the security's principal marketplace in Canada.

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook of the Canadian Institute of Chartered Accountants, as amended from time to time.

"**executive officer**" of the Company means an individual who at any time during the financial year ended December 31, 2017 was:

- a) a chair, vice-chair or president of the Company;
- b) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance or production; or
- c) performing a policy-making function in respect of the Company.

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

"**incentive plan award**" means compensation awarded, earned, paid or payable under an incentive plan.

"**Named Executive Officers**" or "**NEOs**" means the following individuals:

- a) a CEO;
- b) a CFO;
- c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the financial year ended December 31, 2017 whose total compensation was, individually, more than \$150,000 for that financial year; and
- d) each additional individual who would be a NEO under (c) above, but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the financial year ended December 31, 2017.

"**non-equity incentive plan**" means an incentive plan or portion of an incentive plan that is not an equity incentive plan.

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons.

"**performance warrants**" means the performance-based share purchase warrants issued to directors, officers and employees of the Company. Each whole performance warrant is exercisable for one common share upon the payment of the applicable exercise price. On May 31, 2016, the Company granted an aggregate 12,000,000 performance warrants to directors, officers and employees at an exercise price of \$0.15 per share with an expiration date of December 31, 2022. On July 25, 2017, the number of issued and outstanding performance warrants was increased from 12,000,000 to 13,000,000 and the terms were amended by reducing the exercise prices from \$0.15 to a range of Nil to \$0.01 per share for the first three tranches comprised of 8,000,000 performance warrants and from \$0.15 to \$0.07 per share for the final two tranches comprised of 5,000,000 performance warrants. On November 16, 2017, the exercise prices for the first three tranches comprising an aggregate 8,000,000 performance warrants were amended from a range of Nil to \$0.01 to Nil to \$0.02 per share. Prior to completion of the Acana Capital Corp. reverse take-over transaction (the "Transaction") on November 30, 2017, a total of 5,500,000 performance warrants were exercised for proceeds of \$110,000. Upon closing of the Transaction, each outstanding performance warrant became exercisable into the number of common shares of the Company based on the exchange ratio of 1.3395 and the exercise price of each outstanding performance warrant was decreased by the same exchange ratio. A total of 2,500,000 performance warrants were converted into 3,348,750 common shares of the Company for no further consideration. See "Long Term Incentive Plan" for details of the performance warrants outstanding.

"**repricing**" means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option.

"**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The compensation of the Company's Named Executive Officers has been established with a view to attracting and retaining executives critical to the Company's short and long-term success and to continue providing executives with compensation that is in accordance with existing market standards generally and competitive within the technology industry.

Compensation of the Company's Named Executive Officers is comprised of a base salary, and the grant of options and performance warrants to purchase common shares under the Company's compensation incentive plan. Through its executive compensation practices, the Company seeks to provide value to its Shareholders through a strong executive leadership. Specifically, the Company's executive compensation structure seeks to attract and retain talented and experienced executives necessary to achieve the Company's strategic objectives, motivate and reward executives whose knowledge, skills and performance are critical to the Company's success, and align the interests of the Company's executives and Shareholders by motivating executives to increase Shareholder value.

In making its determinations regarding the various elements of executive compensation, the Board of Directors does not benchmark its executive compensation program, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry and geographic location while taking into account the financial and other resources of the Company.

Within the context of the overall objectives of the Company's compensation practices, the Company determined the specific amounts of compensation to be paid to each of its executives during the year ended December 31, 2017 based on a number of factors, including the performance of the Company's executives during the fiscal year, the roles and responsibilities of the Company's executives, the individual experience and skills of, and expected contributions from, the Company's executives, the Company's executives' historical compensation and performance within the Company, the financial and other resources of the Company, and any contractual commitments the Company has made to its executives regarding

compensation.

The Company is growing rapidly but at its current size and level of activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through Board of Director meetings during which financial and other information of the Company are reviewed. Although the Board of Directors of the Company has not formally evaluated the risks associated with the Company's compensation policies and practices, the Board has no reason to believe that any risks that arise from the Company's compensation policies and practices are reasonably likely to have a material impact on the Company.

Elements of Executive Compensation

The Company's executive compensation policy consists of an annual base salary and long-term incentives in the form of performance warrants, and stock options granted under the Company's Stock Option Plan.

Base Salary

The Company believes that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Company also believes that attractive base salaries can motivate and reward executives for their overall performance. However, due to the Company's early stage of development and limited financial resources for the financial years ended December 31, 2017, 2016 and 2015, the executive team opted to accept reduced compensation, primarily consisting of option-based awards, to ensure adequate resources were available to bring on crucial development staff and to build out the business.

The employment agreements that were entered into with the Company's Named Executive Officers are summarized under "Termination and Change of Control Benefits" below.

Long-Term Incentive Plan

The LTIP is designed to strengthen the alignment between executive compensation and the long-term interests of the Company's shareholders. Historically, the LTIP has been comprised of Options and Performance Warrants.

Awards under the LTIP are designed to provide shareholder aligned incentives to the Company's directors, officers and employees who make material contributions to the successful operation of the business of the Company, to increase their ownership interest in the Company and to allow the Company to attract and retain outstanding officers and employees.

Option Based Awards

The Company has in effect a compensation incentive plan (the "Stock Option Plan") in order to provide effective incentives to directors, officers, employees and consultants 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 Stock Option Plan is an important part of the Company's long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the common shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such executive officer's long-term contribution to the Company will be key to its long-term success. Previous grants of stock options are taken into account when considering new grants.

Under the Stock Option Plan, the number of common shares reserved for issuance pursuant to the exercise of stock options is equal to 10% of the issued common shares of the Company from time to time.

On May 31, 2016, the Company granted an aggregate 12,000,000 performance warrants to directors, officers and employees at an exercise price of \$0.15 per share with an expiration date of December 31, 2022. On July 25, 2017, the number of issued and outstanding performance warrants was increased from 12,000,000 to 13,000,000 and the terms were amended by reducing the exercise prices from \$0.15 to a range of Nil to \$0.01 per share for the first three tranches comprised of 8,000,000 performance warrants and from \$0.15 to \$0.07 per share for the final two tranches comprised of 5,000,000 performance warrants. On November 16, 2017, the exercise prices for the first three tranches comprising an aggregate 8,000,000 performance warrants were amended from a range of Nil to \$0.01 to Nil to \$0.02 per share. Prior to completion of the Acana

Capital Corp. reverse take-over transaction (the “**Transaction**”) on November 30, 2017, a total of 5,500,000 performance warrants were exercised for proceeds of \$110,000. Upon closing of the Transaction, each outstanding performance warrant became exercisable into the number of common shares of the Company based on the exchange ratio of 1.3395 and the exercise price of each outstanding performance warrant was decreased by the same exchange ratio. A total of 2,500,000 performance warrants were converted into 3,348,750 common shares of the Company for no further consideration.

The performance warrants were subject to vesting upon the achievement of certain milestones by certain dates, as set out below:

Milestone	On or before	No. of Performance Warrants	Exercise price of vested Performance Warrants	No. of Performance Warrants vested	No. of Performance Warrants exercised
1 Upon completion of product - QLUE 1.0	December 31, 2016	3,348,750	\$0.01	3,348,750	3,348,750
2 Upon filing of software patent	June 30, 2017	3,348,750	\$0.01	3,348,750	3,348,750
3 Upon signing of first government contract	August 31, 2017	4,018,500	Nil	4,018,500	4,018,500
4 Upon completion of BitRank product	October 31, 2017	2,679,000	\$0.05	2,679,000	-
5 Upon completion of global network	December 31, 2017	4,018,500	\$0.05	4,018,500	-
		17,413,500		17,413,500	10,716,000

At December 31, 2017, a total of 6,697,500 performance warrants priced at \$0.05 per share were outstanding, including 5,692,875 performance warrants held by NEOs.

In the future, long-term incentives for NEOs are expected to be comprised of stock options.

Compensation Governance

The Board of Directors as a whole has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards. The LTIP is administered by the Board of Directors, which, from time to time, grants equity-based compensation to Eligible Persons after considering their present and potential contributions and other relevant factors.

Hedging of Economic Risks in the Company’s Securities

The Company has not adopted a policy prohibiting Directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company’s securities granted as compensation or held, directly or indirectly, by Directors or officers. However, the Company is not aware of any Directors or officers having entered into this type of transaction.

Named Executive Officers Compensation

In accordance with the provisions of applicable securities legislation, the Company had six (6) Named Executive Officers who acted for all or portion of the financial years ended December 31, 2017, 2016 and 2015, namely Shone Anstey, Executive Chairman & President; Lance Morginn, Chief Executive Officer; Rajen Janda, former Chief Executive Officer; Diana Kim Evans, Chief Financial Officer; and, Kevin Ma and Ardell Harrison, both former Chief Financial Officers.

The following table sets out certain information respecting the compensation paid to the Named Executive Officers of the Company during the financial years ended December 31, 2017, 2016 and 2015. These individuals are referred to collectively as “Named Executive Officers” or “NEOs”.

Summary Compensation Table

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) ⁽⁵⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁶⁾	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Shone Anstey ⁽¹⁾ Executive Chairman & President	2017	61,000	Nil	1,180,600	Nil	Nil	Nil	Nil	1,241,600
	2016	24,000	Nil	201,100	Nil	Nil	Nil	5,000	230,100
	2015	Nil	Nil	Nil	Nil	Nil	Nil	83,333	83,333
Lance Morginn ⁽²⁾ CEO	2017	61,000	Nil	1,284,400	Nil	Nil	Nil	Nil	1,345,400
	2016	24,000	Nil	201,100	Nil	Nil	Nil	10,000	235,100
	2015	Nil	Nil	Nil	Nil	Nil	Nil	83,333	83,333
Diana Kim Evans ⁽³⁾ CFO	2017	22,000	Nil	445,500	Nil	Nil	Nil	Nil	467,500
	2016	8,000	Nil	25,100	Nil	Nil	Nil	2,000	10,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	20,000	20,000
Rajen Janda ⁽⁴⁾ Former CEO	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	5,000	Nil	Nil	Nil	Nil	Nil	Nil	5,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kevin Ma ⁽⁴⁾ Former CFO	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cathy Chu ⁽⁴⁾ Former CFO	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ardell Harrison ⁽⁴⁾ Former CFO	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Shone Anstey was appointed as Executive Chairman on May 22, 2017 and as President on July 31, 2015.
- (2) Lance Morginn was appointed as CEO of the Company on July 31, 2015.
- (3) Diana Kim Evans was appointed as CFO of the Company on July 31, 2015.
- (4) Messrs. Janda and Ma ceased to act as CEO and CFO, respectively, upon completion of the Transaction on November 30, 2017. Mr. Janda was appointed on October 17, 2014. Mr. Ma was appointed as CFO on July 24, 2016, prior to which time Ms. Cathy Chu acted as CFO from June 3, 2016 to July 24, 2016 and Mr. Ardell Harrison acted as CFO from October 17, 2014 to June 3, 2016.
- (5) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value for performance warrants granted in 2016 and stock options granted in 2017, and relied on the following the key assumptions and estimates for each calculation under the following assumptions: (i) risk free interest rate ranging from 0.93% to 1.70%; (ii) expected dividend yield of 0%; (iii) expected volatility of 110.98% to 147.0%; and (iv) with an average expected life of 5 years for options and 6 years for performance warrants. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.
- (6) Other compensation comprises payments made to NEOs for services rendered and/or reimbursed

Outstanding Options-Based Awards and Share-Based Awards

The following table sets forth information concerning all option-based and share-based awards granted to the Named Executive Officers and which were outstanding at the end of the most recently completed financial year:

Name	Option-Based Awards				Share-Based Awards ⁽²⁾		
	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 (\$)
Shone Anstey Executive Chairman & President	341,729	0.26	Oct 19, 2022	423,744	Nil	Nil	Nil
	150,000	2.20	Dec 6, 2022	Nil			

Name	Option-Based Awards				Share-Based Awards ⁽²⁾		
	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 (\$)
Lance Morginn CEO	803,700 341,729 150,000	0.15 0.26 2.20	Feb 1, 2022 Oct 19, 2022 Dec 6, 2022	1,084,995 423,744 Nil	Nil	Nil	Nil
Diana Kim Evans CFO	341,729 150,000	0.26 2.20	Oct 19, 2022 Dec 6, 2022	423,744 Nil	Nil	Nil	Nil

Notes:

- (1) Value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at December 31, 2017 and the exercise price of the options. The closing price of the Company's shares on the Canadian Stock Exchange on December 31, 2017 was \$1.50 per share.
- (2) The Company has not granted any share-based awards.

Name	Performance Warrant-Based Awards			
	Number of Securities Underlying Unexercised Performance Warrants (#)	Warrant Exercise Price (\$)	Warrant Expiration Date	Value of Unexercised In-The-Money Warrants (\$) ⁽¹⁾
Shone Anstey Executive Chairman & President	2,679,000	0.05	Dec 31, 2022	3,884,550
Lance Morginn CEO	2,679,000	0.05	Dec 31, 2022	3,884,550
Diana Kim Evans CFO	334,875	0.05	Dec 31, 2022	485,569

Notes:

- (1) Value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at December 31, 2017 and the exercise price of the options. The closing price of the Company's shares on the Canadian Stock Exchange on December 31, 2017 was \$1.50 per share.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option/Warrant-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 (\$)
Shone Anstey, Executive Chairman & President	1,180,600	Nil	Nil
Lance Morginn, CEO	1,284,400	Nil	Nil
Diana Kim Evans, CFO	445,500	N/A	N/A

Notes:

- (1) Represents the sum of the value of the Options that vested during the year and the value of the Performance Warrants that vested during the year. The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value for performance warrants granted in 2016 and stock options granted in 2017, and relied on the following the key assumptions and estimates for each calculation under the following assumptions: (i) risk free interest rate ranging from 0.93% to 1.70%; (ii) expected dividend yield of 0%; (iii) expected volatility of 110.98% to 147.0%; and (iv) with an average expected life of 5 years for options and 6 years for performance warrants. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

Narrative Discussion

The Company's Stock Option Plan, approved by shareholders on October 17, 2014, authorizing us to maintain a compensatory stock and incentive plan to aid in developing and attracting personnel capable of enhancing our prospects for future success, to offer such personnel additional incentives to exert maximum effort for the success of the Company and to afford personnel

a capital accumulation opportunity.

The Stock Option Plan is administered by the Board. At the present time, option grants are approved by the Board which has the responsibility of determining:

- a) persons entitled to receive the option grant;
- b) the number of options to be granted;
- c) the exercise price, which shall not be less than market price for the Company's common shares at the date of grant;
- d) an expiry date of no more than ten (10) years after the date of the grant; and
- e) the manner, if any, in which the option shall vest and become exercisable.

For details of the Stock Option Plan, please refer to the Company's CSE Form 2A - Listing Statement dated November 30, 2017 available on SEDAR at www.sedar.com.

PENSION PLAN BENEFITS

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

TERMINATION AND CHANGE OF CONTROL BENEFITS

For the most recently completed financial year ended December 31, 2017, the Company had no compensatory plan, contract or agreement with any NEO, except as follows.

Shone Anstey ~ The Company has a management agreement with Shone Anstey pursuant to the terms of which the Company pays an annual management fee in the amount of \$36,000 to Mr. Anstey. The management agreement provides that in the event the Company terminates the management agreement without cause, Mr. Anstey is entitled to a severance payment in the amount equal to one years' salary. There are no conditions or obligations which Mr. Anstey has to comply with in order to receive his severance pay. Further, the management agreement provides that in the event in a change of control, Mr. Anstey: (1) is entitled to receive payment in the amount equal to the greater of (i) a lump-sum payment of \$200,000 or (ii) an amount equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control; (2) is guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that Mr. Anstey obtains comparable benefits from another source; and (3) shall have any stock options granted in his name vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is thirty-six months from the effective date of such change of control, notwithstanding the provisions of any agreement or plan. Except as set out above, there are no other obligations to compensate Mr. Anstey on resignation, retirement or any other termination.

Lance Morginn ~ The Company has a management agreement with Lance Morginn pursuant to the terms of which the Company pays an annual management fee in the amount of \$36,000 to Mr. Morginn. The management agreement provides that in the event the Company terminates the management agreement without cause, Mr. Morginn is entitled to a severance payment in the amount equal to one years' salary. There are no conditions or obligations which Mr. Morginn has to comply with in order to receive his severance pay. Further, the management agreement provides that in the event in a change of control, Mr. Morginn: (1) is entitled to receive payment in the amount equal to the greater of (i) a lump-sum payment of \$200,000 or (ii) an amount equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control; (2) is guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that Mr. Morginn obtains comparable benefits from another source; and (3) shall have any stock options granted in his name vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is thirty-six months from the effective date of such change of control, notwithstanding the provisions of any agreement or plan. Except as set out above, there are no other obligations to compensate Mr. Morginn on resignation, retirement or any other termination.

Kim Evans ~ The Company has a management agreement with Kim Evans pursuant to the terms of which the Company pays an annual management fee in the amount of \$12,000 to Ms. Evans. The management agreement provides that in the event the Company terminates the management agreement without cause, Ms. Evans is entitled to a severance payment in the amount equal to one years' salary. There are no conditions or obligations which Ms. Evans has to comply with in order to receive her severance pay. Further, the management agreement provides that in the event in a change of control, Ms. Evans: (1) is entitled to receive payment in the amount equal to the greater of (i) a lump-sum payment of \$100,000 or (ii) an amount

equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control; (2) is guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that Ms. Evans obtains comparable benefits from another source; and (3) shall have any stock options granted in her name vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is thirty-six months from the effective date of such change of control, notwithstanding the provisions of any agreement or plan. Except as set out above, there are no other obligations to compensate Ms. Evans on resignation, retirement or any other termination.

DIRECTOR COMPENSATION

During the financial year ended December 31, 2017, the Company had eleven (11) directors who acted for all or portion of the year, five (5) of which were also Named Executive Officers of the Company. Acana Capital Corp. had five directors pre-Transaction, of which two were also NEOs. Post-Transaction and as at December 31, 2017, the Company has six directors, of which three are also NEOs.

Going forward, our Board of Directors believes that attracting and retaining qualified non-employee directors will be critical to the future value growth and governance of our Company. Our Board of Directors also believes that a significant portion of the total compensation package for our non-employee directors should be equity-based to align the interest of these directors with our stockholders.

Directors who are also our employees will not receive any additional compensation for their service on our Board of Directors. We expect that each director will be reimbursed for (i) travel and miscellaneous expenses to attend meetings and activities of our Board of Directors or its committees; and (ii) travel and miscellaneous expenses related to such director's participation in general education and orientation programs for directors.

DIRECTORS COMPENSATION TABLE

The following table sets out the amounts of compensation paid to the directors of the Company that were not Named Executive Officers of the Company during the financial year ended December 31, 2017.

<i>Director Name</i>	<i>Fees Earned (\$)⁽¹⁾</i>	<i>Share-Based Awards (\$)</i>	<i>Option-Based Awards (\$)⁽²⁾</i>	<i>Non-Equity Incentive Plan Compensation (\$)</i>	<i>Pension Value (\$)</i>	<i>All Other Compensation (\$)</i>	<i>Total (\$)</i>
Anthony Zelen	30,000	Nil	550,700	Nil	Nil	Nil	550,700
Robert Birmingham ⁽³⁾	Nil	Nil	43,700	Nil	Nil	Nil	43,700
Thomas Kennedy ⁽³⁾	Nil	Nil	43,700	Nil	Nil	Nil	43,700

(1) The Company paid consulting fees totalling \$30,000 to a company controlled by Mr. Zelen.

(2) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value for performance warrants granted in 2016 and stock options granted in 2017, and relied on the following the key assumptions and estimates for each calculation under the following assumptions: (i) risk free interest rate ranging from 0.93% to 1.70%; (ii) expected dividend yield of 0%; (iii) expected volatility of 110.98% to 147.0%; and (iv) with an average expected life of 5 years for options and 6 years for performance warrants. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

(3) Messrs. Birmingham and Kennedy were appointed as Directors of the Company on November 21, 2017.

Except as stated above, the Company does not have any other arrangements 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 consultants or experts during the financial year ended December 31, 2017.

Outstanding Options-Based Awards and Share-Based Awards

The following table sets forth information concerning all share-based and option-based awards granted to Directors and which were outstanding at the end of the most recently completed financial year:

<i>Director Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards⁽²⁾</i>	
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options (\$)⁽¹⁾</i>	<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i>
Anthony Zelen	341,729	0.26	Oct 19, 2022	423,744	Nil	Nil
	150,000	2.20	Dec 6, 2022	Nil		
Robert Birmingham	25,000	2.20	Dec 6, 2022	Nil	Nil	Nil
Thomas Kennedy	25,000	2.20	Dec 6, 2022	Nil	Nil	Nil

Notes:

- (1) Value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at December 31, 2017 and the exercise price of the options. The closing price of the Company's shares on the Canadian Stock Exchange on December 31, 2017 was \$1.50 per share.
- (2) The Company has not granted any share-based awards.

<i>Name</i>	<i>Performance Warrant-Based Awards</i>			
	<i>Number of Securities Underlying Unexercised Performance Warrants (#)</i>	<i>Warrant Exercise Price (\$)</i>	<i>Warrant Expiration Date</i>	<i>Value of Unexercised In-The-Money Warrants (\$)⁽¹⁾</i>
Anthony Zelen	669,750	0.05	Dec 31, 2022	971,137

Notes:

- (1) Value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at December 31, 2017 and the exercise price of the options. The closing price of the Company's shares on the Canadian Stock Exchange on December 31, 2017 was \$1.50 per share.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

<i>Name</i>	<i>Option awards – Value during the year on vesting (\$)⁽¹⁾</i>	<i>Share awards – Value during the year on vesting (\$)</i>	<i>Non-equity incentive plan compensation – Pay-out during the year (\$)</i>
Anthony Zelen	550,700	N/A	N/A
Robert Birmingham	43,700	N/A	N/A
Thomas Kennedy	43,700	N/A	N/A

Notes:

- (1) Represents the sum of the value of the Options that vested during the year and the value of the Performance Warrants that vested during the year. The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value for performance warrants granted in 2016 and stock options granted in 2017, and relied on the following the key assumptions and estimates for each calculation under the following assumptions: (i) risk free interest rate ranging from 0.93% to 1.70%; (ii) expected dividend yield of 0%; (iii) expected volatility of 110.98% to 147.0%; and (iv) with an average expected life of 5 years for options and 6 years for performance warrants. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.