

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Objectives

One of the mandates of the board of directors' (the "**Board**") of the Corporation includes the review and setting of executive compensation. The Board, in arriving at its compensation decisions, considers the long-term interests of the Corporation and its stakeholders, as well as the Corporation's historical and current stage of development.

The Board has decided that until the Corporation acquires another property or interest in a property in addition to those interests acquired as part of the Corporation's "Qualifying Transaction" as defined in the TSX Venture Exchange ("**Exchange**") policies, the primary method of compensation will be by way of grant of options ("**Options**") to purchase Common Shares issued pursuant to the stock option plan of the Corporation (the "**Option Plan**") as well as consulting fees and employee salaries paid to certain officers of the Corporation. The Board may in the future decide to pay compensation to its directors and officers other than by way of Options, consulting fees or employment salary.

The Corporation's executive compensation program is intended to permit the Corporation to maintain a competitive position in the marketplace. The Corporation's compensation program is designed to attract and retain highly qualified people and to align their interest with those of the Shareholders of the Corporation. The maximization of Shareholder value is encouraged by granting long-term equity incentives to directors and officers of the Corporation as Shareholder value is aligned to directors and officers through a mutually beneficial increase to the price of the Common Shares.

The Corporation's executive compensation program consists of a combination of the following elements, namely (i) participation in the Option Plan; (ii) consulting fees; and (iii) employment salary. The amount for each element of the Corporation's executive compensation program is determined based upon compensation levels for executives of companies in a similar stage of development as the Corporation, as well as upon the discretion of the Board. Each element of the Corporation's executive compensation program is intended to contribute to an overall total compensation package which is designed to provide both short term and long term financial incentives to directors and officers to assist the Corporation to successfully implement its strategic plans. The Board annually assesses how each element fits into the overall total compensation package.

The Chief Executive Officer recommends to the Board the individual compensation, whether Option awards, consulting fees or employment salaries, for each executive officer and director. The Board then considers these recommendations when making its final decisions regarding the compensation of those officers and directors. The Board does not use formulas to determine the individual compensation of each of its executive officers and directors, however, with respect to Option awards, the Board is restricted by the policies of the Exchange and the Option Plan in respect of how many Options it may grant to such persons. Individual compensation for each of the Corporation's executive officers and directors, whether through the grant of Options under the Option Plan or the payment of consulting fees or employment salaries, is awarded by the Board based upon the level of responsibility and contribution of such individuals towards the Corporation's goals and objectives. With respect to the granting of Options under the Option Plan, the Board will also consider previous grants when considering the merit of new compensatory Option grants.

Risks of Compensation Policies and Practices

The Corporation's compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Board considers the implications of the risks associated with the Corporation's compensation policies and practices. The Board reviews and approves executive compensation awarded to executive officers which includes approving grants of Options under the Option Plan, consulting fees and employment salary. The Board notes the following facts that discourage the Corporation's executives from taking unnecessary or excessive risk:

- the Corporation's business strategy and related compensation philosophy; and

- the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, as well as financial and non-financial performance.

Based on this review, the Board believes that the Corporation's total executive compensation policies and practices do not encourage executive officers to take unnecessary or excessive risk.

Financial Instruments

The Corporation has not implemented any policies that restrict its executive officers and directors from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Share-Based and Option-Based Awards

The Corporation has not at any time granted any share-based awards to executive officers. For a discussion on the Corporation's process of granting option-based awards to directors and executive officers, see "*Compensation Discussion and Analysis - Objectives*".

Compensation Governance

For a discussion on policies and practices by the Board to determine the compensation of the Corporation's directors and executive officers, see "*Compensation Discussion and Analysis - Objectives*".

Compensation of Named Executive Officers

Summary Compensation Table

For the purposes of this Statement of Executive Compensation, "**Named Executive Officer**" means each of the following individuals: (a) a chief executive officer; (b) a chief financial officer; (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the chief executive officer and chief financial officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**Form 51-102F6**"), for that financial year; and (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity at the end of that financial year.

"**Executive Officer**" is defined by the legislation to mean: (i) a chair, vice-chair or president of a company, (ii) a vice-president of a company in charge of a principal business unit, division or function including sales, finance or production, or (iii) an individual performing a policy-making function in respect of a company.

The following table provides compensation information for the financial years ended December 31, 2020, 2019 and 2018 in respect of all such Named Executive Officers:

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation ⁽³⁾ (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Richard G. Anderson, Chief Executive Officer ⁽²⁾	2020	250,000	N/A	81,899	N/A	N/A	N/A	Nil	331,899
	2019	250,000	N/A	25,486	N/A	N/A	N/A	Nil	275,486
	2018	250,000	N/A	N/A	N/A	N/A	N/A	Nil	250,000
Allen F. Emes, Chief Financial Officer ⁽³⁾	2018	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
Manjeet Dhillon, Chief Financial Officer ⁽⁴⁾	2020	180,000	N/A	35,099	N/A	N/A	N/A	Nil	215,099
	2019	90,000	N/A	69,595	N/A	N/A	N/A	Nil	159,595
	2018	9,375	N/A	83,504	N/A	N/A	N/A	Nil	92,879
Emmanuel Malterre, Vice-President, Exploration	2020	Nil	N/A	35,099	N/A	N/A	N/A	Nil	35,099
	2019	Nil	N/A	25,486	N/A	N/A	N/A	Nil	25,486
	2018	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil

Notes:

- (1) The Corporation has calculated the grant date fair value of the Options granted to the Named Executive Officers using the Black-Scholes-Merton model. The Corporation chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The Black-Scholes-Merton weighted average assumptions used by the Corporation for options granted in 2020 were: (i) an initial expected useful life of 5 years; (ii) a forfeiture rate of 0%; (iii) annualized volatility of 86%; and (iv) a risk free interest rate of 1.58%. The Black-Scholes-Merton weighted average assumptions used by the Corporation for options granted in 2019 were: (i) an initial expected useful life of 5 years; (ii) a forfeiture rate of 0%; (iii) annualized volatility of 111%; and (iv) a risk free interest rate of 1.32%. The Black-Scholes-Merton weighted average assumptions used by the Corporation for options granted in 2018 were: (i) an initial expected useful life of 5 years; (ii) a forfeiture rate of 0%; (iii) annualized volatility of 113%; and (iv) a risk free interest rate of 2.16%.
- (2) Mr. Anderson also serves as a director of the Corporation.
- (3) Allen F. Emes ceased to be Chief Financial Officer and a director of the Corporation on November 22, 2018.
- (4) Manjeet Dhillon was appointed Chief Financial Officer on November 22, 2018.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for the Named Executive Officers as of December 31, 2020:

Name and Principal Position	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 (\$)
Richard G. Anderson,	115,000	0.18	February 17, 2021	67,850	Nil	Nil	Nil
	550,000	0.58	October 31, 2021	104,500			
	89,200	0.85	October 13, 2022	-			
	70,580	0.33	June 18, 2024	31,055			

Chief Executive Officer	175,000	0.50	January 6, 2025	33,250			
Manjeet Dhillon, Chief Financial Officer	180,000	0.80	June 22, 2022	-	Nil	Nil	Nil
	130,000	0.98	June 6, 2023	-			
	70,580	0.33	June 18, 2024	31,055			
	75,000	0.50	January 6, 2025	14,250			
Emmanuel Malterre, Vice-President, Exploration	115,000	0.18	February 17, 2021	67,850	Nil	Nil	Nil
	550,000	0.58	October 31, 2021	104,500			
	89,200	0.85	October 13, 2022	-			
	70,580	0.33	June 18, 2024	31,055			
	75,000	0.50	January 6, 2025	14,250			

Notes:

- (1) The value of the unexercised in-the-money options is based on the difference of the closing price of \$0.31 for the Common Shares on the Exchange on December 31, 2020 and the exercise price of the Options

Incentive Plan Awards — Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for the Named Executive Officers during the year ended December 31, 2020:

Name and Principal Position	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 (\$)
Richard G. Anderson, Chief Executive Officer	Nil	Nil	Nil
Manjeet Dhillon, Chief Financial Officer	Nil	Nil	Nil
Emmanuel Malterre, Vice-President, Exploration	Nil	Nil	Nil

Notes:

- (1) Represents the value vested or earned for the fiscal year ended December 31, 2020. The value of option-based awards vested during the year is based on the difference between the market price of the underlying Common Shares at the vesting date and the Option exercise price.

Termination and Change of Control Benefits

Other than as provided for at common law, there is no employment contract, compensatory plan, or other arrangement in place with the Named Executive Officers, nor are there any agreements between the Corporation and the Named Executive Officers that provide for payment to the Named Executive Officers in connection with any termination, resignation, retirement, change in control of the Corporation or change in responsibilities of the Named Executive Officers.

Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans

The Corporation currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for its Named Executive Officers or directors of the Corporation.

Compensation of Directors

Summary Compensation Table

The following table provides compensation information for the financial year ended December 31, 2020 for each of the directors of the Corporation (other than Richard G. Anderson whose disclosure with respect to summary compensation is set out above).

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation ⁽²⁾ (\$)	Total Compensation (\$)
Darryl J. Raymaker	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stuart B. McDowall	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gerald Roe	Nil	Nil	35,099	Nil	Nil	57,143	92,242

Note:

- (1) The Corporation has calculated the grant date fair value of the Options granted to the directors using the Black-Scholes-Merton model. The Corporation chose this methodology because it is recognized as the most common methodology used for valuing options and doing value comparisons. The Black-Scholes-Merton weighted average assumptions used by the Corporation for the year ended December 31, 2020 were: (i) an initial expected useful life of 5 years; (ii) a forfeiture rate of 0%; (iii) annualized volatility of 86%; and (iv) a risk free interest rate of 1.58%.
- (2) In 2020 Gerald Roe provided technical services and analytical support to the corporation.

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

The following table sets forth all awards outstanding for each of the directors of the Corporation (other than Richard G. Anderson whose disclosure with respect to incentive plan awards is set out above) as of December 31, 2020:

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 (\$)
Darryl J. Raymaker	38,000	0.85	October 13, 2022	-	Nil	Nil
Stuart B. McDowall	38,000	0.85	October 13, 2022	12,000	Nil	Nil
Gerald Roe	115,000	\$0.18	February 17, 2021	67,850	Nil	Nil
	250,000	\$0.58	October 31, 2021	47,500		
	89,200	\$0.85	October 13, 2022	-		
	200,000	\$1.10	November 1, 2023	-		
	70,580	\$0.33	June 18, 2024	31,055		
	75,000	\$0.50	January 6, 2025	14,250		

Note:

- (1) The value of the unexercised in-the-money Options is based on the difference of the closing price of \$0.31 for the Common Shares on the Exchange on December 31, 2020 and the exercise price of the Options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each director of the Corporation (other than Richard G. Anderson whose disclosure with respect to incentive plan awards is set out above) during the year ended December 31, 2020:

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 (\$)
Darryl J. Raymaker	Nil	Nil	Nil
Stuart B. McDowall	Nil	Nil	Nil
Gerald Roe	35,099	Nil	Nil

Note:

- (1) Represents the value vested or earned for the fiscal year ended December 31, 2020. The value of option-based awards vested during the year is based on the difference between the market price of the underlying Common Shares at the vesting date and the Option exercise price.

Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to executive officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last three completed financial years.

MANAGEMENT CONTRACTS

No management functions of the Corporation or any subsidiary are performed by a person or company other than the directors or executive officers of the Corporation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At December 31, 2020, Mr. Anderson owed the company \$257,531 representing amounts that will be drawn down, as incurred on behalf of the Corporation in addition to expenses reimbursed by the Corporation and repayment. Other than as disclosed herein, no current or former director, executive officer or proposed director of the Corporation or any proposed nominee director, or any of their respective associates, is indebted to the Corporation, nor were any of these individuals indebted to any other entity which indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation, including under any securities purchase or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein or as previously disclosed by the Corporation, the Corporation is not aware of any material transaction involving any informed person of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any of informed person or proposed director.

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other corporations, and situations may arise where such directors and officers will be in competition with the Corporation. Individuals concerned shall be governed in any conflicts or potential conflicts by applicable law and internal policies of the Corporation.

For the purposes of the above, “informed person” means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than ten percent

(10%) of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors.