

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

GENERAL

The following compensation information is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in NI 51-102.

For the purposes of this Statement of Executive Compensation:

“**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; and

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (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, requirements and was not acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation

During the year ended December 31, 2024 the following persons are the NEOs: Francisco Azevedo, Vice-President of Business Development and director, Jonathan Richards, former Chief Financial Officer Corporate Secretary and director, and James Rogers, former Chief Executive Officer and director,

During the year ended December 31, 2024, the following persons were directors of the Company who were not also NEOs: Laura Bastias (director), Miguel Inchaustegui (director), and Latika Prasad (former director).

Director and NEO Compensation, Excluding Options and Compensation Securities

The following compensation table, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and members of the board of directors of the Company (the “Board”) for the two most recently completed financial years ended December 31, 2024 and December 31, 2023. Options and compensation securities are disclosed under the heading “Share Options and Other Compensation Securities” below.

Table of compensation excluding compensation securities							
<u>Name and position</u>	<u>Year</u>	<u>Salary, consulting fee, retainer or commission (\$)</u>	<u>Bonus (\$)</u>	<u>Committee or meeting fees (\$)</u>	<u>Value of perquisites (\$)</u>	<u>Value of all other compensation (\$)</u>	<u>Total compensation (\$)</u>
James Rogers ⁽¹⁾ Director and former Chief Executive Officer and Director	2024	\$248,496	Nil	Nil	Nil	Nil	\$248,496
	2023	\$246,702	Nil	Nil	Nil	Nil	\$265,986
Bryan Slusarchuk ⁽²⁾ Former President and Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	\$82,000	Nil	Nil	Nil	Nil	\$82,000
Francisco Azevedo ⁽³⁾ VP Business Development and Director	2024	\$249,218	\$50,000	Nil	Nil	Nil	\$299,218
	2023	\$217,871	Nil	Nil	Nil	Nil	\$241,976
Jonathan Richards ⁽⁴⁾ CEO and Director, former Chief Financial Officer and Corporate Secretary	2024	\$89,600	\$50,000	Nil	Nil	Nil	\$139,600
	2023	\$82,044	Nil	Nil	Nil	Nil	\$96,507
Latika Prasad ⁽⁵⁾ Former Director	2024	\$47,500	Nil	Nil	Nil	Nil	\$47,500
	2023	\$60,000	Nil	Nil	Nil	Nil	\$66,749
Laura Bastias ⁽⁶⁾ Director	2024	\$49,425	Nil	Nil	Nil	\$29,378	\$78,803
	2023	\$48,841	Nil	Nil	Nil	\$11,791	\$53,662
Miguel Inchaustegui ⁽⁷⁾ Director	2024	\$18,421	Nil	Nil	Nil	Nil	\$18,421
	2023	NA	NA	NA	NA	NA	NA

Notes:

- (1) Mr. Rogers was appointed as CEO and as a director on July 22, 2022 and resigned as CEO on February 12, 2025.
- (2) Mr. Slusarchuk was appointed as President on February 1, 2019 and as a director on May 16, 2019, he resigned as President and director on June 26, 2023.
- (3) Mr. Azevedo was appointed as VP of Business Development on July 29, 2020 and as a director on May 16, 2019.
- (4) Mr. Richards was appointed CFO on February 1, 2019 and as Corporate Secretary on December 2, 2019. On February 12, 2025, Mr. Richards resigned as CFO and Corporate Secretary and was appointed CEO and director. On February 12, 2025, Stephen Sulis, was appointed as CFO and Corporate Secretary.
- (5) Ms. Prasad was elected to the board of directors on July 28, 2021 and resigned on October 15, 2024. Ms. Prasad received a director fee of \$5,000 per month.
- (6) Ms. Bastias was appointed to the board of directors on January 29, 2021. Ms. Bastias receives a director fee of US\$3,000 per month. In addition, a law firm in which she is a partner of, Bastias Yacante Abogados, received \$11,791 during the year ended December 31, 2023 and \$29,378 during the year ended December 31, 2024.
- (7) Mr. Inchaustegui was appointed to the board of directors on April 1, 2024. Mr. Inchaustegui received US\$1,500 per month

Share Options and Other Compensation Securities

The Company has a share option plan in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option (“**Option**”) grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require Board approval. The share option plan is administered by the Board and provides that Options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

The following table discloses all compensation securities granted or issued to each director and NEO by the Company, or a subsidiary of the Company, in the most recently completed financial year for services or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#) ⁽¹⁾	Date of Grant or Issue (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$) ⁽²⁾	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
James Rogers Director and former Chief Executive Officer and	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Francisco Azevedo VP Business Development and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jonathan Richards Chief Executive Officer and Director Former Chief Financial Officer, Corporate Secretary	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Laura Bastias Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Latika Prasad Former Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Miguel Inchaustegui Director	RSU	150,000 4.22%	2024-05-08	0.155	0.155	0.0500	N/A

Notes:

- 1) As of December 31, 2024.

Exercise of Compensation Securities by NEOs and Directors

During the Company's fiscal year ended December 31, 2024, 1,325,000 RSUs were vested and converted into common shares by NEO's and directors' of the Company.

During the Company's fiscal year ended December 31, 2024, no options were granted or exercised by an NEO or director of the Company.

Stock Option Plans and other Incentive Plans

Share Option Plan

The Company has a Share Option Plan dated for reference August 12, 2022 (the "**Option Plan**"). The principal purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through Options, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The Option Plan provides that the aggregate number of securities reserved for issuance under the Option Plan, together with all other security based compensation plans, will be 10% of the number of Common Shares of the Company issued and outstanding from time to time.

The Option Plan is administered by the Board of Directors of the Company, which has full and final authority with respect to the granting of all Options thereunder.

Options may be granted under the Option Plan to such service providers of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise prices will be determined by the Board of Directors, but will, in no event, be less than the Discounted Market Price, as such defined by the policies of the TSXV. All Options granted under the Option Plan will expire not later than the date that is ten years from the date that such Options are granted. Options granted under the Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As at May 22, 2025 there were 16,970,000 options outstanding under the Option Plan. As at May 22, 2025 there were 203,532,129 issued and outstanding Common Shares and accordingly, there are a further 3,383,212 Common Shares available for reserve for grant of Options. At the December 31, 2024 financial year end there were 5,370,000 options outstanding pursuant to the Option Plan.

The Board is of the view that the Option Plan permits the Company to attract and maintain the services of executives, employees and other service providers with other companies in the industry, and therefore will seek Shareholder approval at the Meeting of the Plan.

Material Terms of the Plan

The following is a summary of the material terms of the Option Plan. All terms capitalized but not defined below shall have the meanings ascribed to such terms in the Option Plan.

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Plan;
- (b) Investor Relations Service Providers may not receive any Security Based Compensation other than Options.
- (c) Options granted under the Plan are non-assignable, and non-transferable;
- (d) For options granted to Service Providers, the Company must ensure that the proposed Option holder (an “**Optionee**”) is a bona fide Service Provider of the Company or its affiliates;
- (e) An Option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (f) If an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- (g) In the case of an Optionee being dismissed from employment or service for cause, such Optionee’s options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;

- (h) Vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period;
- (i) Subject to approval from the TSXV, the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options which have not yet been granted under the Plan;
- (j) Disinterested shareholder approval will be required to approve any extensions or reductions of exercise price to stock options granted to individuals that are Insiders at the time of the proposed amendment;
- (k) The Plan includes specific restrictions with respect to adjustments to security based compensation. Any adjustment to stock options granted or issued (except in relation to a consolidation or share split) is subject to the prior acceptance of the TSXV; and
- (l) The Plan provides for the following limits on grants, unless otherwise permitted pursuant to the policies of the TSXV:
 - i. unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture, any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
 - ii. unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
 - iii. unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company may not exceed 10% of the Outstanding Shares at any point in time;
 - iv. the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and
 - v. the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Services Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Services Providers may not received any Security Based Compensation other than Options.

The Option Plan also allows for option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis. “Cashless Exercise” is a method of exercising Options in which a securities dealer loans funds to the Optionee or sells the same shares as those underlying the Option, prior to or in conjunction with the exercise of Options, to allow the Optionee to fund the exercise of some or all of their Options. “Net Exercise” is a method of Option exercise under which the Optionee does not make any payment to the issuer for the exercise of their Options and receives on exercise a number of Common Shares equal to the intrinsic value (current market price less the exercise price) of the Option valued at the current market price. Pursuant to the policies of the TSXV, the current market price must be the 5-day volume weighted average trading price prior to Option exercise. “Net Exercise” may not be utilized by persons performing investor relations services.

A housekeeping amendment has also been made as a result of TSXV policy changes regarding their four month hold period. Accordingly, the TSXV four month hold period will now apply to Options granted to Consultants in addition to Options granted to Insiders or granted at any discount to the Market Price.

The Option Plan is subject to TSXV acceptance and if the TSXV finds the disclosure to Shareholders to be inadequate, that Shareholder approval may not be accepted by the TSXV.

Refer to heading below - ***“Particulars of Matters to be Acted Upon – Continuation of the Option Plan”***

Restricted Share Unit Plan

On June 26, 2023, the Board adopted a restricted share unit plan (the “**RSU Plan**”) as an alternative to stock options and as a means of compensating directors, officers, employees and consultants of the Company. Pursuant to the RSU Plan a maximum of 7,801,062 restricted share units (“**RSUs**”) may be awarded.

The RSU Plan allows the Company to grant RSUs, under and subject to the terms and conditions of the RSU Plan, which may be exercised to purchase up to a maximum of 7,801,062 Common Shares.

The RSU Plan is subject to the approval of the TSXV and no RSU’s may be granted while the Company is listed on the NEX.

The following is a summary of the material terms of the RSU Plan. All terms capitalized but not defined below shall have the meanings ascribed to such terms in the RSU Plan.

Nature and Administration of the RSU Plan

All Eligible Persons are eligible to participate in the RSU Plan (those who are granted RSUs being referred to as “**Participants**”), however, the actual participation of any person is at the discretion of the Board or the Committee. Eligibility to participate as a Participant in the RSU Plan does not confer upon any person a right to receive an award of RSUs. It shall be the responsibility of the Company and the Eligible Person to ensure that such Eligible Person is a *bona fide* Eligible Person.

Subject to the provisions of the RSU Plan and other such terms and conditions as the Committee or Board may prescribe, the Committee, may, from time to time, award RSUs to any Eligible Person. RSUs so awarded shall be credited to an Account maintained for each Participant on the books of the Company as of the Award Date. The number of RSUs to be credited to each Participant’s Account in respect of a fiscal year shall be determined by dividing: (a) the dollar amount of the portion of the Participant’s compensation which the Committee, in its sole discretion, determines to be paid as RSUs (including, for greater certainty, such portion of the Participant’s compensation which the Participant has elected to be paid as RSUs in advance of an award in accordance with any rules as may be adopted and communicated by the Committee in this regard at its discretion, if the Committee in its discretion determines to do so), by (b) the Fair Market Value per Common Share on the Award Date.

An RSU is personal to the Participant and is non-assignable. No RSU granted under the RSU Plan shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of by the Participant, whether voluntarily or by operation of law, otherwise than by testate succession or the laws of descent and distribution, and any attempt to do so will cause such RSU to be null and void. A vested RSU shall be redeemable only by the Participant and, upon the death of a Participant, the person to whom the rights shall have passed by testate succession or by the laws of descent and distribution may redeem any vested RSUs in accordance with the provisions of the RSU Plan.

Credit for Dividends

A Participant's account will be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of additional RSUs to be credited to a Participant's account is computed by dividing: (a) the dividends that would have been paid to such Participant if each RSU in the Participant's Account on the relevant dividend record date had been one Common Share, by (b) the Fair Market Value of the Common Shares determined as of the date of payment of such dividend. However, the Company is not obligated to pay dividends on Common Shares and nothing in the RSU Plan shall be interpreted as creating such an obligation.

Resignation or Termination

If (a) a Participant's employment or service is terminated, whether or not for Cause, or (b) a Participant resigns from employment or service with the Company, then any RSUs granted to the Participant under the RSU Plan which have not yet vested or been deemed to be vested, on or before the Separation Date for the Participant are forfeited and cancelled effective on the Separation Date and shall terminate without payment and shall be of no further force or effect from and after the Separation Date.

The Participant may, but only within the next 30 days following the Separation Date, deliver a completed Notice of Acquisition to the Company to acquire Common Shares for previously vested RSUs (if any) and following such 30 day period, any vested RSUs in respect of which the Participant has not delivered a completed Notice of Acquisition to the Company shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on such 30th day and shall terminate without payment and shall be of no further force or effect from and after such time.

Leave of Absence

In the event a Participant takes a leave of absence other than an Approved Leave of Absence, all RSUs granted to the Participant under the RSU Plan that have not then vested shall terminate and be null and void, subject to the Board's sole and absolute discretion to determine otherwise and applicable law.

Death of Participant

Subject to any express resolution passed by the Committee, upon the death of a Participant, any RSUs granted to the Participant under the RSU Plan, which, as of the date of the death of a Participant have not yet vested, shall immediately vest. Upon the death of a Participant, any RSUs granted to the Participant under the RSU Plan shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on the first year anniversary of the death of the Participant and shall be terminated without payment and shall be of no further force or effect from and after such time. If a Participant's heirs or administrators are entitled to any portion of the Participant's outstanding RSUs, the period in which they shall be entitled to make a claim in respect of such RSUs may not exceed one year from the Participant's death.

Control Change

In the circumstances where the Company has entered into an agreement relating to, or otherwise becomes aware of, a transaction which, if completed, would result in a Control Change, the Company shall give written notice of the proposed transaction to the Participants, together with a description of the effect of such Control Change on outstanding RSUs. Such notice shall be given not less than ten Business Days prior to the closing of the transaction resulting in the Control Change.

Adjustments

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Company or other distribution of the Company's assets to Shareholders (other than the payment of dividends in respect of the Common Shares), the Committee may choose to adjust the Account of each Participant and the RSUs outstanding under the RSU Plan in such manner, if any, as the Committee may in its discretion deem appropriate (taking into account any tax consequences to the extent considered relevant by the Committee) to preserve the Account of each Participant and the RSUs outstanding under the RSU Plan shall be adjusted in such manner, if any, as the Committee may in its discretion deem appropriate to preserve, proportionally, the interests of Participants under the RSU Plan.

Vesting

Each Award will vest on the dates and/or the satisfaction of the Performance Criteria (each a "**Vesting Date**") specified by the Committee on the Award Date, and reflected in the Award Notice. The RSU Term shall be determined by the Committee on the Award Date, and reflected in the Award Notice, and shall end no later than December 31st of the third calendar year following the Award Date.

However, the Committee may, in its sole discretion, subject to such terms and conditions (if any) established by the Committee in its sole discretion, at any time prior to or following the events contemplated therein, permit:

- (a) persons previously entitled to participate in the RSU Plan to continue to be a Participant for purposes of the RSU Plan;
- (b) the vesting or accelerated vesting of any or all RSUs held by a Participant; and
- (c) the payment of the Payment Amount in respect of such RSUs in the manner and on the terms authorized by the Committee.

Limits on Issuances

The RSU Plan provides for the following limits on grants unless otherwise permitted pursuant to Exchange Policies:

- (a) unless Disinterested Shareholder Approval is obtained, the aggregate number of Common Shares reserved for issuance under the RSU Plan, together with any other Security Based Compensation Plan, for Insiders (as a group) at any point in time may not exceed 10% of the issued and outstanding Common Shares from time to time;
- (b) unless Disinterested Shareholder Approval is obtained, the maximum number of RSUs that may be granted to Insiders (as a group) under the RSU Plan, together with any other Security Based Compensation Plan, within a 12 month period, may not exceed 10% of the issued and outstanding Common Shares, calculated on the Award Date;
- (c) unless Disinterested Shareholder Approval is obtained, the maximum number of RSUs that may be granted to any one Eligible Person (and companies wholly owned by that Eligible Person) under the RSU Plan, together with any other Security Based Compensation Plan, within a 12 month period, may not exceed 5% of the issued and outstanding Common Shares, calculated on the Award Date;
- (d) the maximum number of RSUs that may be granted to any one Consultant under the RSU Plan, together with any other Security Based Compensation Plan, within a 12 month period, may not exceed 2% of the issued and outstanding Common Shares, calculated on the Award Date; and

- (e) RSUs granted under the RSU Plan are subject to a four-month hold period, in accordance with Exchange Policies.

Amendment or Termination of RSU Plan

Subject to Exchange approval, the Committee may from time to time amend or suspend the RSU Plan in whole or in part and may at any time terminate the RSU Plan without prior notice. However, any such amendment, suspension or termination shall not adversely affect the RSUs previously granted to a Participant at the time of such amendment, suspension or termination, without the consent of the affected Participant.

The Company will be required to obtain Shareholder approval in accordance with Exchange Policies for any amendment of the RSU Plan related to:

- (a) the number or percentage issued and outstanding Common Shares available for grant under the Plan;
- (b) a change in method of calculation of redemption of RSUs held by Eligible Persons; and
- (c) an extension to the term for redemption of RSUs held by Eligible Persons.

If the Committee suspends or terminates the RSU Plan, no new RSUs will be credited to the account of a Participant; however, previously credited RSUs shall remain outstanding but shall not be entitled to dividend credits following suspension or termination unless at the time of suspension or termination the Committee determines that the entitlement to dividend credits during suspension or after termination, as applicable, should be continued.

The RSU Plan is subject to TSXV acceptance and if the TSXV finds the disclosure to Shareholders to be inadequate, that Shareholder approval may not be accepted by the TSXV.

Refer to heading below - “*Particulars of Matters to be Acted Upon – Continuation of Restricted Share Unit Plan*”.

Employment, Consulting and Management Agreements

During the financial year ended December 31, 2024 and to date, the Company has no agreements of compensatory plans or arrangements, except as disclosed herein, with any of its NEOs concerning severance payments of cash or equity compensation resulting from the resignation, retirement or any other termination of employment or other agreement with the Company or as a result of a change of control of the Company.

Kluane Capital FZCO., a company controlled by James Rogers, entered into an agreement with the Company dated July 20, 2022 pursuant to his role as former Chief Executive Officer, to perform the duties and responsibilities commonly associated with the position. The Company paid Kluane Capital FZCO compensation comparable within the industry, and the Board believes the fees payable under the agreement are fair and reasonable and are on convention terms. Kluane Capital FZCO was paid a monthly fee of \$15,000 USD in connection with his position.

Oversight and Description of Director and Named Executive Officer Compensation

Elements of the Compensation Program

The responsibilities relating to executive and director compensation, including reviewing and determining compensation of the Company’s officers and employees and overseeing the Company’s base compensation structure and equity-based compensation program is performed by the Board as a whole based on recommendations from the Compensation Committee. The Compensation Committee assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company’s senior management.

The Compensation Committee generally reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Company's goals and objectives.

The Company is a small junior resource company with limited resources. The compensation for executives and senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company's Shareholders. In the Board's view, paying salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies is compiled from a variety of sources, including national and international publications.

The Board determines compensation of the Company's executives based on recommendations from the Compensation Committee. In each case, the Compensation Committee takes into consideration the prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Company, and the Company's available cash resources.

In the Board's view, to attract and retain qualified and effective executives, the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

Executive Compensation

There are no arrangements under which NEOs were compensated by the Company during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

Director Compensation

During the two most recently completed financial years, the directors received no cash compensation for acting in their capacity as directors of the Company.

Except for the potential grant to directors of share options, there were no arrangements under which directors were compensated by the Company during the two most recently completed financial years for their services in their capacity as directors.

Pension Disclosure

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