

VENERABLE VENTURES LTD.

Suite 3123 – 595 Burrard Street,
Vancouver, British Columbia, V7X 1J1
Tel: (604) 609-6110

FORM 51 – 102F6

STATEMENT OF EXECUTIVE COMPENSATION
(for the year ended March 31, 2023)

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 most recently completed financial year;

“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 most recently completed financial year;

“closing market price” means the price at which the Company’s security was last sold, on the applicable date,

- (a) in the security’s principal marketplace in Canada, or
- (b) if the security is not listed or quoted on a marketplace in Canada, in the security’s principal marketplace;

“Company” means Venerable Ventures Ltd.;

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

“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 IFRS2 *Share-based Payment*;

“external management company” includes a subsidiary, affiliate or associate of the external management company;

“grant date” means a date determined for financial statement reporting purposes under IFRS2 *Share-based Payment*;

“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;

“NEO” or **“Named Executive Officer”** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;

- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, 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, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

“NI 52-107” means National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“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;

“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

In accordance with the provisions of applicable securities legislation, the Company had two (2) “Named Executive Officers” during the financial year ended March 31, 2023, namely Marilyn Miller, CFO, and Alan MacDonald, CEO. Ms. Miller was appointed as CFO on August 17, 2017 and Mr. MacDonald was appointed as CEO on August 17, 2017.

The Company’s process for determining executive compensation is very simple. In particular, the Company relies solely on board discussion without any formal objectives, criteria and analysis.

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.

The Company does not currently pay any base salary compensation to its NEOs for their services in their capacity as NEOs. Compensation to NEOs currently consists solely of the granting of stock options. In determining executive compensation, the Company relies solely on the experience and knowledge of the Board of Directors of the Company (the **“Board”**) in terms of appropriate compensation for executive officers with similar abilities and experience.

The Board 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 when implementing its compensation policies and the Board 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.

Stock Option Plans and Other Incentive Plans

The Company has in effect a stock option plan (the "**Stock Option Plan**") in order to provide effective incentives to directors, officers, and senior management personnel 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.

On November 24, 2021, the TSX Venture Exchange adopted a new policy, Policy 4.4 – *Security Based Compensation* (the "**New Policy 4.4**") governing security-based compensation. The changes to the policy relate to, among other things, the expansion of the policy to cover a number of types of security based compensation in addition to stock options.

The Company's 10% Rolling Stock Option Plan which was approved at the annual general meeting held on March 1, 2023, was amended in accordance with the New Policy 4.4 (the "**Amended Stock Option Plan**").

A summary of the Amended Stock Option Plan is as follows:

- (a) the Amended Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, Common Shares of the Company equal to up to a maximum of 10% of the issued Common Shares of the Company at the time of any stock option grant;
- (b) under the New Policy, an optionee must either be an Eligible Charitable Organization or a Director, Officer, Employee, Consultant or Management Corporation Employee of the Company at the time the option is granted in order to be eligible for the grant of a stock option to the optionee;
- (c) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12 month period under this Amended Stock Option Plan and any other Security Based Compensation must not exceed 5% of the issued Common Shares of the Company calculated on the date an option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);
- (d) the aggregate number of options granted to any one Consultant in a 12 month period under this Amended Stock Option Plan and any other Security Based Compensation must not exceed 2% of the issued Common Shares of the Company, calculated at the date an option is granted to the Consultant;
- (e) the aggregate number of options granted to all Investor Relations Service Providers must not exceed 2% of the issued shares of the Company in any 12 month period, calculated at the date an option is granted to any such Person;
- (f) if the Common Shares are listed for trading on the Exchange, then, notwithstanding anything in the Amended Stock Option Plan to the contrary, the aggregate number of Common Shares that may be issued to Insiders (as a group) pursuant to Options granted under the Amended Stock

Option Plan and under any other Security Based Compensation, must not exceed 10% of the outstanding Shares at any point in time, unless the Company has obtained the requisite Disinterested Shareholder Approval;

- (g) if the Common Shares are listed for trading on the TSX Venture Exchange then, notwithstanding anything in the Amended Stock Option Plan to the contrary, the aggregate number of Common Shares that may be issued to Insiders (as a group) pursuant to Options granted under the plan and under any other Security Based Compensation in any 12 month period shall not exceed 10% of the outstanding Shares at the time of the grant, unless the Corporation has obtained the requisite Disinterested Shareholder Approval;
- (h) options issued to Investor Relations Service Providers must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3 month period;
- (i) the minimum exercise price per Common Share of a stock option must not be less than the Market Price of the Common Shares of the Company;
- (j) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (o) below);
- (k) stock options (other than options held by Investor Relations Service Providers) will cease to be exercisable 90 days after the optionee ceases to be a Director (which term includes a senior officer), Employee, Consultant, Eligible Charitable Organization or Management Corporation Employee otherwise than by death, or for a "reasonable period" not exceeding 12 months after the optionee ceases to serve in such capacity, as determined by the Board. Stock options granted to Investor Relations Service Providers will cease to be exercisable 30 days after the optionee ceases to serve in such capacity otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board;
- (l) all options are non-assignable and non-transferable;
- (m) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of a stock option, or the extension of the term of a stock option, if the optionee is an Insider of the Company at the time of the proposed amendment;
- (n) the Amended Stock Option Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of a stock option, subject to prior acceptance of the TSX Venture Exchange, in the event of an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization, other than in connection with a share consolidation or split;
- (o) upon the occurrence of an Accelerated Vesting Event (as defined in the Amended Stock Option Plan), the Board will have the power, at its sole discretion and subject to the prior acceptance of the Exchange, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of stock options, conditionally or unconditionally; (b) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Common Shares under such transaction; (c) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the

Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Stock Option Plan be final, conclusive and binding;

- (p) in connection with the exercise of an option, as a condition to such exercise the Corporation shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and
- (q) a stock option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must (i) be formally imposed by the Company pursuant to its internal trading policies; and (ii) must expire following the general disclosure of undisclosed Material Information; (b) the automatic extension of an optionee's stock option will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities; and (d) the automatic extension is available to all Eligible Persons under the same terms and conditions.

"Consultant", "Director", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Employee", "Investor Relations Activities", "Investor Relations Service Provider", "Management Corporation Employee", "Market Price", "Material Information", "Person", "Securities Laws" and "Security Based Compensation" all have the same definition as in the policies of the TSX Venture Exchange.

Pursuant to the Board's authority to govern the implementation and administration of the Amended Stock Option Plan, all previously granted and outstanding stock options shall be governed by the provisions of the Amended Stock Option Plan.

Use of Financial Instruments

The Company does not have a policy that would prohibit an NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. However, management is not aware of any NEO or director purchasing such an instrument.

NAMED EXECUTIVE OFFICERS COMPENSATION

The following table sets out certain information respecting the compensation paid to the NEOs of the Company during the financial years ended March 31, 2023, 2022 and 2021. These individuals are referred to collectively as "**Named Executive Officers**" or "**NEOs**".

In accordance with the provisions of applicable securities legislation, the Company had two (2) Named Executive Officers, namely Alan MacDonald and Marilyn Miller during the financial years ended March 31, 2023, 2022 and 2021.

TABLE OF COMPENSATION

Name And Position	Financial Year Ended March 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Marilyn Miller ⁽¹⁾ . CFO and Director	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alan MacDonald ⁽²⁾ CEO Director	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

- (1) Ms. Miller was appointed as CFO on February 21, 2017 and resigned on March 28, 2017. She was subsequently appointed as Director and CFO on August 17, 2017.
- (2) Mr. MacDonald was appointed to the Board and as CFO effective March 28, 2017. He subsequently resigned as CFO on August 17, 2017, when he was appointed as CEO.

INCENTIVE OPTION-BASED AWARDS

Outstanding Share-Based Awards and Option-Based Awards

There are no outstanding share or option based awards outstanding as at March 31, 2023, nor have any share or option based awards been issued or granted to NEOs since the date of incorporation of the Company.

Incentive Plan Awards – Value Vested or Earned During the Year

There are no outstanding share or option based awards outstanding as at March 31, 2023 nor have any share or option based awards been issued or granted to any NEOs since the date of incorporation of the Company.

Narrative Discussion

The only plan based award program that the Company currently operates with the Amended Stock Option Plan. The Amended Stock Option Plan was approved by the Shareholders on March 1, 2023. The purpose of the Amended Stock Option Plan is to advance the interests of the Corporation, through the grant of options, by (1) providing an incentive mechanism to foster the interest of directors, officers, employees and consultants in the success of the Corporation; (2) encouraging directors, officers, employees and consultants to remain with the Corporation; and (3) attracting new directors, officers, employees and consultants.

The Amended Stock Option Plan is administered by the Board or the Compensation Committee established by the Board for the purpose of administering the Amended Stock Option Plan. At the present time, option grants are approved by either the Board or the Compensation Committee. It is the responsibility of the granting party to determine:

- (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 Amended Stock Option Plan, please refer to the Company's Information Circular dated January 25, 2023 available on SEDAR at www.sedar.com.

PENSION PLAN BENEFITS

The Company does not have any pension plans that provide for payments or benefits to the NEOs at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has not entered into any plans or arrangements in respect of remuneration received or that may be received by the NEOs in the Company's most recently completed financial year or current financial year in respect of compensating such officers or directors in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

No director of the Company who is not an NEO has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and executive officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

DIRECTOR COMPENSATION

The Company currently does not pay directors who are not employees or officers of the Company for attending directors' meetings or for serving on committees. The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year. None of the Company's directors have received any cash compensation for services

provided in their capacity as directors during the Company's most recently completed financial year. The Company has a stock option plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist the Issuer in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

The Company has not granted any share-based awards. As at the financial year ended March 31, 2023 no stock options were issued or outstanding. None of the directors of the Company exercised any stock options. None of the previously granted stock options held by directors of the Company vested during the financial year ended March 31, 2023.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details with respect to the options granted under the Plan as at the end of March 31, 2023:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	NIL	N/A	1,351,293
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	NIL	N/A	1,351,293

Notes:

(1) The Company does not have any warrants or rights outstanding under any equity compensation plans.