

METAL ENERGY CORP.

Form 51-102F6V

Statement of Executive Compensation – Venture Issuers For the Year Ended December 31, 2022

The following pertaining to Metal Energy Corp. (the “Company”) is presented pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*. The objective of this disclosure is to communicate the compensation the company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation.

General

For the purposes of this disclosure:

“**CEO**” means an individual who acted as chief executive officer of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year;

“**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;

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as 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 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; and
- (d) each individual who would be a NEO 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 the most recently completed financial year.

During the financial year ended December 31, 2022, the Company had three (3) NEOs, being James Sykes, the CEO, Joel Friedman, the CFO, and Kevin Canario, a former CFO.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each NEO and director of the Corporation in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Corporation for services provided and for services to be provided, directly or indirectly, to the Corporation, for each of the Corporation's two (2) most recent completed financial years.

NEO Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Stephen Stewart⁽¹⁾ <i>Director</i>	2022	60,000	4,750	Nil	Nil	Nil	64,750
	2021	62,500	Nil	Nil	Nil	Nil	62,500
James Sykes <i>CEO</i>	2022	87,739	6,250	Nil	Nil	Nil	93,989
	2021	7,500	Nil	Nil	Nil	Nil	7,500
Joel Friedman⁽²⁾ <i>CFO</i>	2022	25,044	4,750	Nil	Nil	Nil	29,794
	2021	N/A	N/A	N/A	N/A	N/A	N/A
Jeffrey Potwarka⁽³⁾ <i>Former-CFO</i>	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	4,000	Nil	Nil	Nil	Nil	4,000
Kevin Canario⁽⁴⁾ <i>Former-CFO</i>	2022	9,722	Nil	Nil	Nil	Nil	9,722
	2021	2,431	Nil	Nil	Nil	18,000	20,431
David Antony <i>Former-CEO</i>	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	Nil	Nil	Nil	Nil	32,500	32,500
Charidy Lazorko <i>Former-CFO</i>	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	Nil	Nil	Nil	Nil	19,500	19,500

Notes:

- (1) Fees were paid to 2287957 Ontario Inc. which provides the services of Stephen Stewart in the capacity as CEO and President of the Company. 2287957 Ontario Inc. is a private company wholly-owned by Stephen Stewart.
- (2) Fees were paid to 1000214479 Ontario Inc. which provides the services of Joel Friedman in the capacity as CFO of the Company. 1000214479 Ontario Inc. is a private company controlled and beneficially-owned by Joel Friedman. Mr. Friedman was appointed Chief Financial Officer on May 3, 2022.
- (3) Jeffrey Potwarka was appointed CFO on June 5, 2018 and resigned effective December 14, 2021.
- (4) Fees were paid to Affinity Professional Services Inc. which provided the services of Kevin Canario in the capacity as CFO. Affinity Professional Services Inc is a private company wholly-owned by Kevin Canario. Mr. Canario was appointed Chief Financial Officer on December 15, 2021 and resigned effective May 2, 2022.

Option-Based Awards

Except as disclosed below, no Compensation Securities were granted or issued to NEOs or Directors during the most recently completed financial year ended December 31, 2022.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Joel Friedman CFO	Stock options	200,000 (0.2%)	02-Apr-22	\$0.16	\$0.145	\$0.05	01-Apr-27

No Compensation Securities were exercised by NEOs or Directors during the most recently completed financial year ended December 31, 2022.

Stock Option Plans and Other Incentive Plans

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs.

The Company's Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of shareholders.

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.

Employment, Consulting and Management agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors aside from the external management agreements described above.

Oversight and Description of Director and Name Executive Officer Compensation

The Company's compensation philosophy for its NEOs is designed to attract well qualified individuals in what is essentially an international market by paying competitive base management fees plus short and long-term incentive compensation in the form of stock options or other suitable long-term incentives. In making its determinations regarding the various elements of executive compensation, the Board of Directors has access to and relies on published studies of compensation paid in comparable businesses.

The duties and responsibilities of the President and CEO are typical of those of a business entity of the Company's size in a similar business and include direct reporting responsibility to the Board, overseeing the activities of all other executive and management consultants, representing the Company, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

Elements of Compensation

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

The base salaries paid to officers of the Company are intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role. The Company intends to pay base fees to officers that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which the Company competes for talent. Base fees of officers are reviewed annually by the Board of Directors.

The incentive component of the Company's compensation program is the potential long-term reward provided through the grant of stock options. The Company's Stock Option Plan is intended to attract, retain and motivate officers and Directors of the Company in key positions, and to align the interests of those individuals with those of the Company's shareholders. The Stock Option Plan provides such individuals with an opportunity to acquire a proprietary interest in the Company's value growth through the exercise of stock options. Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual is based on such considerations. Stock options are granted at an exercise price of not less than the prevailing market price of the Company's common shares at the time of the grant, and for a term of exercise not exceeding ten years.

The Company has not currently identified specific performance goals or benchmarks as such relate to executive compensation, 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. The stage of the Company's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal.

Compensation Policies and Risk Management

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers. Commenced in

2021, the Board of Directors intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base fee and long-term ownership through the Company's Stock Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board of Directors 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 regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

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.

Pension Disclosure

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