

CLOVER LEAF CAPITAL CORP.
(“Clover Leaf” or the “Corporation”)

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

(for the year ended December 31, 2021)

DATED June 29, 2022

Director and Named Executive Officer Compensation Excluding Compensation Securities

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*. All amounts in this form are expressed in Canadian dollars (C\$), unless indicated otherwise.

Named Executive Officers

“Named Executive Officers” and “NEOs” means each of the following individuals:

- (a) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the corporation 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 corporation, and was not acting in a similar capacity, at the end of that financial year.

During the period from incorporation on March 2, 2021 to December 31, 2021 (the “**Financial Period**”) the Corporation had two NEO’s, Tsend Tseren, the President and Chief Executive Officer and Dan O’Brien the Chief Financial Officer. Golden Oak Corporate Services Ltd. (“**Golden Oak**”) is a private company owned by Dan O’Brien and Ben Meyer, which provides services to the Corporation as Chief Financial Officer and Corporate Secretary respectively. Other than paying C\$10,000 consulting fees to Golden Oak, there were no NEO’s during the Financial Period.

External Management Companies

None of the NEOs or directors of the Corporation have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Corporation to provide management services to the Corporation, directly or indirectly.

Stock Options and Other Compensation Securities

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
Alain Fontaine, <i>Non-Executive Chairman and Director</i>	Stock Options	115,000 ⁽¹⁾ 1.60% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031
Tsend Tseren, <i>President, Chief Executive Officer and Director</i>	Stock Options	115,000 ⁽¹⁾ 1.60% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031
Dan O’Brien, <i>Chief Financial Officer</i>	Stock Options	15,000 ⁽¹⁾ 0.21% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031
Ben Meyer, <i>Corporate Secretary</i>	Stock Options	15,000 ⁽¹⁾ 0.21% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031
Alexander Molyneux, <i>Director</i>	Stock Options	115,000 ⁽¹⁾ 1.60% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031

Blake Steele, <i>Director</i>	Stock Options	115,000 ⁽¹⁾ 1.60% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031
Doris Meyer, <i>Director</i>	Stock Options	115,000 ⁽¹⁾ 1.60% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031
Morgan Hay, <i>Director</i>	Stock Options	115,000 ⁽¹⁾ 1.60% ⁽²⁾	July 15, 2021	\$0.10	N/A ⁽³⁾	N/A ⁽³⁾	July 15, 2031

Notes:

- (1) Each stock option entitles the holder to purchase one common share of the Corporation, each stock option fully vests on date of grant.
- (2) This figure represents the number of underlying common shares issuable upon exercise of the stock option as a percentage of the total issued and outstanding common shares of the Corporation as at December 31, 2021, being 7,200,000 common shares on that date.
- (3) The stock options granted July 15, 2021, were priced at the \$0.10, for a term of ten years while the Corporation was private. Clover Leaf's listing date of the Corporation's common shares on the TSX Venture Exchange was on March 24, 2022.

No compensation securities were re-priced, cancelled and replaced, extended or otherwise materially modified during the Financial Period.

No NEO or director exercised any compensation securities during the financial year ended December 31, 2021.

Stock option plans and other incentive plans

The policies of the Exchange provided that the board of directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange Requirements, grant to directors, officers and employees of the Corporation and its Affiliates and to consultants and management company employees, non-transferable CPC Stock Options to purchase Common Shares for a period of up to ten years from the date of the grant, provided that the number of Common Shares reserved for issuance may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant.

The purpose of the Stock Option Plan established by the Corporation, pursuant to which it may grant CPC Stock Options, is to promote the profitability and growth of the Corporation by facilitating the efforts of the Corporation to obtain and retain key individuals. The Stock Option Plan provides an incentive for and encourages ownership of the Common Shares by its key individuals so that they may increase their stake in the Corporation and benefit from increases in the value of the Common Shares. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any 12 month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant, and the maximum number of Common Shares reserved for issuance in any 12 month period to all Persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant.

Notwithstanding the terms of the Stock Option Plan described above, the CPC Policy imposes certain restrictions on CPC Stock Options during the period that the Corporation remains a CPC. Such restrictions

shall remain in place until the Exchange issues the Final QT Exchange Bulletin (such bulletin indicating that the Resulting Issuer will not be considered a CPC). Under the CPC Policy, the Corporation, while it remains a CPC, is limited to granting CPC Stock Options to only directors, officers and technical consultants of the Corporation. In addition, the total number of Common Shares reserved under option for issuance pursuant to the Stock Option Plan may not exceed 10% of the Common Shares outstanding as at the date of the grant of the option, and the exercise period shall not exceed 10 years from the date of the grant. The maximum number of Common Shares issuable to any individual officer or director may not exceed 5% of the issued and outstanding Common Shares outstanding as at the date of grant of the option. The maximum number of Common Shares issuable at any given time to all technical consultants may not exceed 2% of the issued and outstanding Common Shares as at the date of grant of the option.

In addition, while the Corporation is a CPC, it is prohibited from granting CPC Stock Options to any Person providing investor relations activities, promotional or market making services. The exercise price per Common Share under any CPC Stock Option granted by the Corporation while it is a CPC may not be less than the greater of \$0.10 and the Discounted Market Price (as defined under Exchange policies). Any CPC Stock Options or Common Shares acquired pursuant to the exercise of CPC Stock Options prior to the Completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final QT Exchange Bulletin is issued. In addition, all Common Shares issued on or after the date of the Final QT Exchange Bulletin pursuant to the exercise of CPC Stock Options granted prior to the Offering with an exercise price that is less than \$0.10 per Common Share are also subject to escrow under the Escrow Agreement.

The term of CPC Stock Options must expire not later than 12 months after the optionee ceases to be a director, officer or technical consultant of the Corporation or of the Resulting Issuer, as the case may be, subject to any earlier expiry date of such CPC Stock Option.

The Corporation does not have any other compensation security plans.

Employment, Consulting and Management Agreements

The Corporation does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in an NEO's responsibilities.

Oversight and Description of Director and NEO Compensation

The compensation of the Corporation's NEOs is determined by the Board. As a capital pool company, the Corporation is currently prohibited from paying directors, officers or other non-arm's length parties or to persons engaged in investor relations activities pursuant to policy 2.4 of the TSX Venture Exchange Corporate Finance Manual until it has completed a qualifying transaction and a final bulletin has been issued by the TSX Venture Exchange. The Corporation is permitted to reimburse non-arm's length parties for rent, secretarial services and other general and administrative expenses at fair market value. As a result, the Corporation does not have a formal compensation program and relies upon the grant of Options pursuant to the Option Plan to provide compensation to the NEOs and directors. Option grants are designed to reward the NEOs for success Pension Plan Benefits No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Corporation and none are proposed at this time. on a similar basis as the Shareholders, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new Options are granted, the Board takes into account the previous grants of options, the number of Options currently held, position, overall individual performance, anticipated contribution to the Corporation's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Corporation in compensating, attracting, retaining and motivating the officers, directors and employees of the Corporation and to closely align the personal interest of such persons to the interest of the shareholders. The exercise price of the stock options granted is determined by the trading price of the Common Shares at the time of grant. Compensation for the most recently completed financial

year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Corporation's financial resources and prospects.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Corporation and none are proposed at this time.