

VENZEE TECHNOLOGIES INC.

(the “Company”)

Form 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuers

(for financial years ended December 31, 2021 and December 31, 2020)

GENERAL

The following information, dated as of June 17, 2022, is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*.

For the purposes of this Form:

“Company” means Venzee Technologies Inc.;

“compensation securities” includes stock options, convertible securities, exchangeable securities and similar instruments 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;

“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, 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 not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

“plan” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

During the financial year ended December 31, 2021, the NEOs of the Company were as follows:

- John Sexton Abrams - President, CEO, director
- Peter Montross - Chairman, COO, director
- Darren Battersby - CFO

The board of directors (the “Board”) of the Company who were not NEOs during the financial year ended December 31, 2021, were Sean Copeland, Tom Linden, Dan Wilkinson (resigned April 20, 2021), Marc Bertrand (appointed February 11, 2021) and John Sviokla (appointed April 20, 2021).

The Company has an unlimited number of authorized common shares with no par value (the “Shares”) and an unlimited number of authorized preferred shares with no par value. The Company’s Shares are listed on the TSX Venture Exchange under stock symbol “VENZ” and OTCQB under “VENZF”.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of compensation paid by the Company to each NEO and director of the Company for the two (2) most recently completed financial years. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” below.

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
John Sexton Abrams <i>Chief Executive Officer, President, Director</i>	2021	218,750	NIL	NIL	NIL	80,112 ⁽¹⁾	298,862
	2020	200,000	NIL	NIL	NIL	34,126 ⁽²⁾	234,126
Peter Montross <i>Chairman, Director</i>	2021	190,000	NIL	NIL	NIL	79,463 ⁽¹⁾	269,463
	2020	175,000	NIL	NIL	NIL	32,793 ⁽²⁾	207,793
Darren Battersby ⁽³⁾ <i>Chief Financial Officer</i>	2021	80,176	NIL	NIL	NIL	23,667 ⁽¹⁾	103,843
	2020	71,562	NIL	NIL	NIL	8,182 ⁽²⁾	79,744
Dan Wilkinson <i>Director</i>	2021	NIL	NIL	NIL	NIL	12,364 ⁽¹⁾	12,364
	2020	NIL	NIL	NIL	NIL	5,454 ⁽²⁾	5,454
Sean Copeland <i>Director</i>	2021	NIL	NIL	NIL	NIL	17,485 ⁽¹⁾	17,485
	2020	NIL	NIL	NIL	NIL	5,454 ⁽²⁾	5,454
Markus Westerholz ⁽⁴⁾ <i>Chief Technical Officer, Former Director</i>	2021	7,479	N/A	N/A	N/A	1,604 ⁽¹⁾	9,083
	2020	111,815	NIL	NIL	NIL	833 ⁽²⁾	112,648
Tom Linden <i>Director</i>	2021	NIL	NIL	NIL	NIL	17,485 ⁽¹⁾	17,485
	2020	NIL	NIL	NIL	NIL	4,636 ⁽²⁾	4,636
Marc Bertrand <i>Director</i>	2021	NIL	NIL	NIL	NIL	54,354 ⁽¹⁾	54,354
	2020	N/A	N/A	N/A	N/A	N/A	NIL
John Sviokla <i>Director</i>	2021	NIL	NIL	NIL	NIL	31,297 ⁽¹⁾	31,297
	2020	N/A	N/A	N/A	N/A	N/A	NIL

⁽¹⁾ This amount represents the fair value of incentive stock options granted during the year ended December 31, 2021, and was estimated at the grant date using the Black-Scholes option pricing model in accordance with the Company’s accounting policies with the following assumptions: Expected life 4 years; Expected annual volatility 151%; Expected dividend yield 0%; Risk-free interest rate 1.41%. These values do not represent actual amounts received by the optionees as the gain, if any, will depend on the market value of the Shares on the date that the stock option is exercised.

⁽²⁾ This amount represents the fair value of incentive stock options granted during the year ended December 31, 2020 and was estimated at the grant date using the Black-Scholes option pricing model in accordance with the Company’s accounting policies with the following assumptions: Expected life 3.75 years; Expected annual volatility 178%; Expected dividend yield 0%; Risk-free interest rate 0.38%. These values do not represent actual amounts received by the optionees as the gain, if any, will depend on the market value of the Shares on the date that the stock option is exercised.

⁽³⁾ The compensation noted was paid to Finance Matters Consulting Inc., a private company controlled by Mr. Battersby. Mr. Battersby was paid in Canadian dollars, therefore each element of his compensation paid in Canadian dollars was converted to U.S. dollars using an average exchange rate for the period associated with the payments of 1.2535.

⁽⁴⁾ Mr. Westerholz was appointed as Chief Technology Officer (“CTO”) on March 13, 2019, and to the Board of Directors on October 25, 2019. Mr. Westerholz resigned as a director on February 7, 2020 and as CTO on January 22, 2021. Mr. Westerholz was paid in Canadian dollars, therefore each element of his compensation paid in Canadian dollars was converted to U.S. dollars using an average exchange rate for the period associated with the payments of 1.2535.

Stock Option Plans and Other Incentive Plans

10% Rolling Stock Option Plan

The Company has a 10% rolling stock option plan (the “**Rolling Option Plan**”) of which a maximum of 10% of the issued and outstanding Shares (on an undiluted basis) of the Company at the time an option is granted are reserved for options to be granted at the discretion of the Board to eligible optionees (an “**Optionee**”). Under the policies of the TSX Venture Exchange (the “**TSXV**”), the Shareholders are required to ratify and re-approve the Rolling Option Plan annually. As at December 31, 2021, there were 21,850,000 options to purchase Shares outstanding under the Rolling Option Plan.

All grants require approval of the Board as the Rolling Option Plan is administered by the Board and provides that options be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

The following is a summary of the material terms of the Rolling 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 Rolling Option Plan;
- (b) Options granted under the Rolling Option Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;
- (c) For options granted to Service Providers, the Company must ensure that the proposed Optionee is a *bona fide* Service Provider of the Company or its affiliates;
- (d) an Option granted to any Service Provider will expire within one year (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;
- (e) 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;
- (f) 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;
- (g) the exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Rolling Option Plan);
- (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; and
- (i) The Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Rolling Option Plan with respect to all Rolling Option Plan shares in respect of options which have not yet been granted under the Rolling Option Plan.

The Rolling Option Plan is subject to the following restrictions:

- (a) The Company must not grant an option to a director, employee, consultant, or consultant company (the “**Service Provider**”) in any 12 month period that exceeds 5% of the outstanding Common Shares, unless the Company has obtained approval to do so by a majority of the votes cast by the shareholders

of the Company eligible to vote at a shareholders' meeting, excluding votes attaching to Common Shares beneficially owned by Insiders and their Associates ("**Disinterested Shareholder Approval**");

(b) The aggregate number of options granted to a Service Provider conducting Investor Relations Activities in any 12 month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, without the prior consent of the TSXV;

(c) The Company must not grant an option to a Consultant in any 12 month period that exceeds 2% of the outstanding Common Shares calculated at the date of grant of the option;

(d) The number of Optioned Shares issued to Insiders in any 12 month period must not exceed 10% of the outstanding shares (in the event that the Rolling Option Plan is amended to reserve for issuance more than 10% of the outstanding shares) unless the Company has obtained Disinterested Shareholder Approval to do so;

(e) The issuance to any one Optionee within a 12 month period of a number of Common Shares must not exceed 5% of outstanding Common Shares unless the Company has obtained Disinterested Shareholder Approval to do so; and

(f) The exercise price of an option previously granted to an Insider must not be reduced, unless the Company has obtained Disinterested Shareholder Approval to do so.

Omnibus Long Term Incentive Plan

The purpose of the Omnibus Long Term Incentive Plan (the "**LTIP**") is to provide the Company with a mechanism to attract, retain and motivate qualified employees, consultants, directors and management whose present and potential contributions are important to the success of the Company and its subsidiaries, by offering them an opportunity to participate in the Company's future performance through share-based awards. There are currently 1,800,000 restricted share units ("**RSU**") issued and fully vested.

Description of the LTIP

All employees, consultants, consultant companies, officers, management company employees and directors (each a "**Participant**") are eligible to participate in the LTIP. Eligibility to participate does not confer upon any participant any right to receive any grant of an Award pursuant to the LTIP.

The LTIP allows the Board to grant an Award to eligible employees, directors, management and consultants for their contribution to the Company. An Award means any Option (including incentive stock option), Share Appreciation Right, Restricted Share Unit, Performance Share Unit, Deferred Share Unit, Restricted Share or Other Share Based Award (as these terms are defined in the LTIP attached as Schedule "B" to this Information Circular).

The LTIP will be administered by the Board who has sole and complete authority, in its discretion, among other things, to: determine individuals eligible for Awards; make grants of Awards under the LTIP, including the time of Award grant, number of Shares covered by an Award, the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by Awards, establish the form(s) of Award Agreements and cancel, amend, adjust or otherwise change any Award under such circumstances as the Board may consider appropriate in accordance with the LTIP.

Subject to adjustment and any subsequent amendment to the LTIP, the aggregate number of Shares reserved for issuance pursuant to all Awards, other than Options, granted under the LTIP shall not exceed 16,800,000 Awards. Each Award under the LTIP will be evidenced by an Award Agreement and the Awards are non-transferable.

Upon a change of control, the Board may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause: (i) the conversion or exchange of any Award; (ii) outstanding Awards to vest and become exercisable; (iii) terminate an Award in exchange for an amount of cash and/or property; (iv) replacement of an Award with other rights or property; or (v) any combination of the foregoing.

The LTIP does not allow consultants performing investor relations services, to receive Awards other than regular stock options.

If a Participant's employment or services are terminated due to death or disability or if the Participant resigns, all Awards shall immediately vest or cease to be restricted. If a Participant's employment or engagement is terminated without cause, then each Award held by that Participant that has vested as of the Termination Date continues to be exercisable for up to 90 days after Termination Date. If a Participant is terminated with cause, then any Option or Award held, whether vested or not, is immediately forfeited and cancelled as of the Termination Date.

Stock Options and Other Compensation Securities

Outstanding Compensation Securities of NEOs and Directors

The following table provides a summary of all option-based awards granted or issued to each director and Named Executive Officer in the most recently completed financial year of the Company ending on December 31, 2021. The Company does not have any other equity incentive plans other than its fixed Stock Option Plan and Omnibus LTIP Plan.

Name and position	Type of compensation security	# of compensation securities, # of underlying securities and % of class ⁽¹⁾	Date of issue or grant (Fiscal 2021)	Issue, conversion or exercise price (CAD\$)	Closing price of security or underlying security on date of grant (CAD\$)	Closing price of security or underlying security at year end (CAD\$)	Expiry date
John Abrams <i>President, CEO, Director</i>	RSU	500,000	April 30, 2021	N/A	0.16	0.14	N/A
	Stock Options	1,250,000	December 1, 2021	0.12	0.095	0.14	December 1, 2026
Peter Montross <i>COO, Director</i>	RSU	500,000	April 30, 2021	N/A	0.16	0.14	N/A
	Stock Options	1,250,000	December 1, 2021	0.12	0.095	0.14	December 1, 2026
Darren Battersby <i>CFO</i>	RSU	100,000	April 30, 2021	N/A	0.16	0.14	N/A
	Stock Options	250,000	December 1, 2021	0.12	0.095	0.14	December 1, 2026
Sean Copeland <i>Director</i>	Stock Options	250,000	December 1, 2021	0.12	0.095	0.14	December 1, 2026
Marc Bertrand <i>Director</i>	Stock Options	1,000,000	February 11, 2021	0.13	0.135	0.14	February 11, 2026
		250,000	December 1, 2021	0.12	0.095	0.14	December 1, 2026
John Sviokla <i>Director</i>	Stock Options	500,000	April 20, 2021	0.20	0.15	0.14	March 31, 2026
		250,000	December 1, 2021	0.12	0.095	0.14	December 1, 2026

⁽¹⁾ No compensation security had been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company's financial year ended December 31, 2021.

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by a NEO or director of the Company during the most recently completed fiscal year of the Company ending December 31, 2021.

Employment, Consulting and Management Agreements

John Sexton Abrams, President and Chief Executive Officer

Venzee Inc., a wholly-owned subsidiary of the Company entered into an employment agreement with John Abrams (the “**Abrams Agreement**”) pursuant to which Mr. Abrams agreed to act as President and CEO of the Company until December 31, 2021 (“**Employment Term**”). Commencing on December 31, 2021, and on each subsequent anniversary thereof, the Employment Term shall be extended an additional year until written notice is provided to the other party at least 90 days prior to the anniversary date. Pursuant to the Abrams Agreement, Mr. Abrams receives an annual salary of USD\$225,000 and is entitled to participate in the Company’s Stock Option Plan as offered to other Company management and personnel from time to time, at the sole discretion of the Board.

The Abrams Agreement also contains provisions for payment upon termination or in the event of a Change of Control (as such term is defined in the Abrams Agreement). Pursuant to the Abrams Agreement, in the event the Abrams Agreement is terminated without cause, or a Change of Control of the Company, Mr. Abrams is entitled to his salary through the date of the employment termination, to be reimbursed any reasonable pre-approved expenses, any bonus amounts due and to receive his salary for an additional 24 months.

In the event Mr. Abrams is terminated with cause, as outlined in the Abrams Agreement, Mr. Abrams will be entitled to his salary through the date of employment termination and to be reimbursed any pre-approved expenses. If Mr. Abrams resigns from the Company, he is entitled to receive his salary through the date of employment termination, to be reimbursed any pre-approved expenses, to receive any bonus amounts due and to receive salary for an additional period of months equal to the period of time that Mr. Abrams’ Covenant Not to Compete are in place.

Peter H. Montross – Chairman of the Board and Chief Operating Officer

Venzee Inc., a wholly-owned subsidiary of the Company entered into an employment agreement with Peter Montross (the “**Montross Agreement**”) pursuant to which Mr. Montross agreed to act as Executive Vice President – Commercial Operations of the Company until December 31, 2021 (“**Employment Term**”). Commencing on December 31, 2021, and on each subsequent anniversary thereof, the Employment Term shall be extended an additional year until written notice provided to the other party at least 90 days prior to the renewal date. Pursuant to the Montross Agreement, Mr. Montross receives an annual salary of USD\$195,000 and is entitled to Company’s Stock Option Plan as offered to other Company’s personnel from time to time, at the sole discretion of the Board.

The Montross Agreement also contains provisions for payment upon termination or in the event of a Change of Control (as such term is defined in the Abrams Agreement). Pursuant to the Montross Agreement, in the event the Montross Agreement is terminated without cause, or a Change of Control of the Company, Mr. Montross is entitled to his salary through the date of the employment termination, to be reimbursed any reasonable pre-approved expenses, any bonus amounts due and to receive his salary for an additional 24 months.

In the event Mr. Montross is terminated with cause, as outlined in the Montross Agreement, Mr. Montross will be entitled to his salary through the date of employment termination and to be reimbursed any pre-approved expenses. If Mr. Montross resigns from the Company, he is entitled to receive his salary through the date of employment termination, to be reimbursed any pre-approved expenses, to receive any bonus amounts due and to receive salary for an additional period of months equal to the period of time that Mr. Montross’ Covenant Not to Compete are in place.

Darren Battersby – Chief Financial Officer

The Company entered into a consulting agreement dated July 25, 2019, with Finance Matters Consulting Inc. (“FMC”). The agreement with FMC outlines the provision of CFO services to be provided by Darren Battersby to the Company and FMC will receive CAD\$8,500 per month.

Oversight and description of Director and NEO Compensation

The Board has assessed and continues to review and assess 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.

Pursuant to the Company’s insider trading policy, executive officers and directors of the Company are restricted from purchasing financial instruments 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 executive officers and directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments.

Compensation, Philosophy and Objectives

The primary goal of the Company’s executive compensation program is to attract, retain and motivate the key executives and to align their interests with those of the Company’s shareholders. The key elements of the executive compensation program are: (i) base salary; (ii) stock-based compensation; and (iii) potential annual bonuses or awards. The Board is of the view that all elements of the total program should be considered, rather than any single element.

The Company has no formal policy regarding the allocation between base salary, stock based compensation, cash based bonuses or awards or other forms of compensation, but the Board as a whole will consider and evaluate the total compensation package received or to be received by an executive officer, and seek to ensure that such total compensation package is fair, reasonable and competitive, and balances the interests of management and the Company’s shareholders.

The Company does not have a formal compensation committee. The Board as a whole assumes responsibility for reviewing and monitoring the long-term compensation strategy of the Company. As well, the Company’s Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO, or such person acting in capacity of CEO of the Company, the directors and key management, and for reviewing the recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position.

In arriving at its compensation recommendations, the Board considers several factors, including the responsibilities and experience of the individuals, the performance of the individuals within the Company, the overall financial and operating performance of the Company, and the long-term interest of the Company. With respect to base salaries, the Board discusses their collective knowledge and understanding of salaries paid to executive officers at companies that the members have personal knowledge of, however, no formal benchmark group of companies has been referenced. For share option grants under the Company’s fixed Stock Option Plan, the Board makes recommendations based on such criteria as performance, previous grants, base salary and bonuses, hiring incentives, and other competitive factors (the Company’s fixed Stock Option Plan is administered by the Board of the Company and all grants require approval of the Board). When considering the grant of bonus compensation, the Board assesses whether the Company has met certain strategic

objectives and milestones and whether there are sufficient cash resources available for the granting of bonuses (the Board will approve bonus compensation dependent upon compensation levels).

The compensation program for the 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 these executives; and
- (c) Better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary, variable cash incentive awards, and equity participation through its stock option plan. Recommendations for senior management compensation are presented to the Board for review.

The Company has not provided monetary compensation to its directors, including fees for attending Board or Board committee meetings. However, during the recently completed financial year ended December 31, 2021, the Company made grants of 4,250,000 incentive share options to its directors, as consideration for fulfilling the responsibilities attendant with their directorships.

Risks Associated with the Company's Compensation Practices

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.

Loans payable

On December 22, 2020, the Company received relief funding through the Canada Emergency Business Account ("CEBA") in the amount of \$47,092 (CAD \$60,000). The loan is unsecured and interest free with no payments required until December 31, 2023 at which time, if the balance is repaid, CAD \$20,000 will be forgiven. Commencing January 1, 2024 any remaining balance will be converted into a term loan which will incur interest at 5% per annum with the loans fully due by December 31, 2025.

During the year ended December 31, 2021, the Company received a forgivable loan in the amount of \$90,625 through the US federal government's Paycheck Protection Program ("PPP loan"). During the year ended December 31, 2021, the loan was forgiven and is recorded in total loss and comprehensive loss.

Benefits and Perquisites

The Company currently provides a limited number of perquisites to its NEOs, the nature and value of which, in the view of the Board, are reasonable and competitive.

Hedging by Named Executive Officers or Directors

Pursuant to the Company's insider trading policy, executive officers and directors of the Company are restricted from purchasing financial instruments 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 executive officers and directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments.

Pension Disclosure

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.