

**SHANE RESOURCES LTD.**

**FORM 51-102F6**

***STATEMENT OF EXECUTIVE COMPENSATION***  
**(in respect of financial year ending December 31, 2018)**

The following disclosure of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Shane Resources Ltd. (the “**Corporation**”) to each Named Executive Officer and director is made in accordance with the requirements of National Instrument 51-102. Disclosure is required to be made in relation to each Named Executive Officer, being individuals who served as the Corporation’s Chief Executive Officer, Chief Financial Officer, and each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, who at the end of the most recently completed financial year whose salary and bonus exceeded \$150,000. The Chief Executive Officer and the Chief Financial Officer of the Corporation are the Corporation’s only Named Executive Officers.

The board of directors of the Corporation is responsible for approving compensation, including long-term incentives in the form of stock options, to be granted to the Chief Executive Officer, the Chief Financial Officer and the directors.

The compensation program of the Corporation is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Corporation's corporate objectives and increase shareholder value. The main objective of the compensation program is to recognize the contribution of the executive officers to the overall success and strategic growth of the Corporation. The compensation program is designed to reward management performance by aligning a component of the compensation with the Corporation's business performance and share value. The philosophy of the Corporation is to pay the management a total compensation amount that is competitive with other Canadian junior companies and is consistent with the experience and responsibility level of the management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Corporation on both an annual and long term basis.

Executive compensation is not based on specific performance goals or benchmarks, but is determined on a subjective basis by the board of directors.

The compensation program provides incentives to its management and directors to achieve long term objectives through grants of stock options under the Corporation's stock option plan. Increasing the value of the Corporation's Common Shares increases the value of the stock options. This incentive closely links the interests of the Named Executive Officers and directors to shareholders of the Corporation.

The Corporation does take into account the options granted in prior years when considering new grants of options. The allocation of the number of options granted among the directors and officers of the Corporation is determined by the entire board of directors.

The board of directors does not specifically consider the implications of the “risks” associated with the Corporation’s compensation policies and practices because the types of compensation are relatively simple and do not generally create “risks” in and of themselves.

The Corporation does not prohibit any Named Executive Officer or director from purchasing financial instruments including, for greater certainty, 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 Named Executive Officer or director.

Summary Compensation Table

The following table sets forth the compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation, to each Named Executive Officer for the financial years ended December 31, 2018, 2017, and 2016.

Name and principal position	Year	Salary	Share-based	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Kyle Kozuska Chief Executive Officer	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Lorilee Kozuska Chief Financial Officer	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**Incentive Plan Awards**

Outstanding share-based awards and option-based awards

No share-based awards and option-based awards were outstanding at the end of the most recently completed financial year for the Named Executive Officers of the Corporation.

Incentive plan awards – value vested or earned during the year

During the Corporation’s most recently completed financial year, no value vested and no amounts were earned in respect of option-based awards, share-based awards and non-equity incentive plan compensation for Named Executive Officers of the Corporation.

Narrative Description of Option-based and Share-based plans

The Corporation does not have an option-based or share-based plan.

**Pension Plan Benefits**

Defined Benefit Plans and Retirement Plans

The Corporation does not have any pension or retirement plan.

Deferred Compensation Plans

The Corporation does not have a deferred compensation plan.

## **Termination and Change of Control Benefits**

The Corporation does not have in place any contracts, agreements, plans or arrangements that provide for payments to a Named Executive Officer 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 a named Executive Officer's responsibilities.

## **Compensation of Directors**

### *Director Compensation*

No director received any compensation.

### *Outstanding share-based awards and option-based awards*

No director, who is not a Named Executive Officer, holds any share-based or option-based awards for the most recently completed financial year end.

### *Incentive plan awards – value vested or earned during the year*

During the Corporation's most recently completed financial year, no value vested and no amounts were earned in respect of option-based awards, share-based awards and non-equity incentive plan compensation for directors of the Corporation.