

**TOP STRIKE RESOURCES CORP.**

**FORM 51-102 F6V**

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS**

**FOR THE YEAR ENDED APRIL 30, 2018**

**General**

All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars.

The following information relates to the financial year ended April 30, 2018 of Top Strike Resources Corp. (the "**Company**"), and the Company's compensation philosophy and practices both prior and subsequent to the recapitalization transaction completed by the Company on September 24, 2018 (the "**Transaction**"). For more information regarding the Transaction, see the Company's amended annual information form dated January 21, 2018, available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

For the purposes of this Statement, "**Named Executive Officers**" or "**NEOs**" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the financial year ended April 30, 2018, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO of the Company;
- (b) each individual who, in respect of the Company, during any part of the financial year ended April 30, 2018, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO of the Company;
- (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 financial year ended April 30, 2018 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* 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, nor acting in a similar capacity, as at April 30, 2018.

Based on the foregoing definitions, the Company's Named Executive Officers in respect of the year ended April 30, 2018 were: Dale Styner, former President, CEO, Secretary and director; and David F. Campbell, former CFO.

**Summary of Named Executive Officers' Compensation**

***Pre-Transaction***

The following discussion is primarily related to the Company's pre-Transaction policy for executive compensation.

Given the Company's early development stage before the Transaction, the Company was focused on limiting cash compensation to the extent appropriate. The pre-Transaction compensation program of the Company was designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Company's corporate objectives and increase shareholder value. The main objective of the compensation program was to recognize the contribution of the executive officers to the

overall success and strategic growth of the Company. The compensation program was designed to reward management performance by aligning a component of the compensation with the Company's business performance and share value. The philosophy of the Company was to maintain a close monitoring over costs during its start-up phase and then to pay the management a total compensation amount that is competitive with other junior companies in Canada and was consistent with the experience and responsibility level of the management. The purpose of executive compensation was to reward the executives for their contributions to the achievements of the Company on both an annual and long term basis.

The former board of directors of the Company (the "**Former Board**") adopted a compensation program that covered three (3) key elements: (i) a base amount of salary and benefits; (ii) a performance based cash bonus; and (iii) stock options. A description of the criteria used in each element of compensation is set forth below.

#### *Base Salary*

The objective of base salary compensation was to reward and retain NEOs. The program was designed to reward NEOs for maximizing shareholder value in a regulatory compliant and ethical manner. In setting base compensation levels, consideration was given to such factors as level of responsibility, experience, expertise and the amount of time devoted to the affairs of the Company. Subjective factors such as leadership, commitment and attitude were also considered. The members of the Former Board had experience with other junior companies to assist in determining the competitiveness of base salary, bonuses, benefits and stock options paid to each of the executive officers of the Company. The Company paid base salary compensation to retain the NEOs.

#### *Bonus Plan*

The Company's pre-Transaction compensation philosophy was to encourage the maximization of shareholder value at all levels of the organization by making cash bonuses a component of compensation, taking into consideration performance by both the Company and the respective executive officer.

Although no formal bonus plan was implemented, all executive officers were eligible to receive a bonus. Bonus levels, if any, were to be established by the Former Board. Bonus awards for executive officers were discretionary. No bonuses were paid by the Company.

#### *Stock Options*

The maximization of shareholder value was encouraged by the granting of stock options at all levels. The Company had, and still has, in place a stock option plan (the "**Stock Option Plan**") under which awards have been made to executive officers in amounts relative to positions, performance, and what is considered competitive in the industry. The objective of the Stock Option Plan is to reward and retain Named Executive Officers. The program is designed to reward Named Executive Officers for maximizing shareholder value in a regulatory compliant and ethical manner. The Stock Option Plan has remained in place under new management post-Transaction, and is administered by the current board of directors of the Company (the "**Board**"). Prior to the Transaction, the Company did not offer any long term incentive plans, share compensation plans, retirement plans, pension plans, or any such benefit programs for the NEOs other than the Stock Option Plan. A summary of the terms of the Stock Option Plan is included under the heading "*Stock Option Plan*" below.

The Company did not grant any options ("**Options**") to purchase common shares in the capital of the Company ("**Common Shares**") during the financial years ended April 30, 2018 and 2017.

### ***Post-Transaction***

On September 24, 2018, pursuant to the Transaction, the Former Board was replaced by the Board and a new management team was appointed to replace the former executive officers of the Company. On November 15, 2018, the Board established the Corporate Governance and Compensation Committee. The Corporate Governance and Compensation Committee will assist the Board in carrying out its responsibilities to the Company with respect to, among other things, compensation matters. The Corporate Governance and Compensation Committee's responsibilities with respect to compensation matters include but are not limited to: (i) reviewing and, as appropriate, approving, compensation, including salary and bonuses in the form of cash or other compensation, awarded to all of the Company's staff, including the officers of the Company but not the Chief Executive Officer; and (ii) reviewing and providing recommendations to the Board on the compensation of the Chief Executive Officer.

The Board will rely on the knowledge and experience of its members to set appropriate levels of compensation for future NEOs. When determining NEO compensation, the Board will use all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Company, responsibilities of the particular NEO and retention of the NEOs, who are considered by the Board to be essential to the success of the Company.

The Board will review the various elements of the NEOs' compensation in the context of the total compensation package (including salary, incentive bonuses and awards of stock options), recommend the NEOs' compensation packages, and where appropriate, engage in benchmarking for the purpose of establishing compensation levels relative to industry peers.

The new executive compensation program consists of three components: (a) base compensation in the form of salary; (b) incentive bonuses in the form of cash payments; and (c) subject to shareholder approval, long-term compensation in the form of Options granted under the Stock Option Plan. For the Named Executive Officers, the stock option component will be an essential part of their compensation. No NEO or director of the Company will be permitted to purchase 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 a Named Executive Officer or director of the Company.

#### ***Base Compensation and Incentive Bonuses***

Base compensation for executive officers of the Company will be set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is expected to be given to such factors as level of responsibility, experience and expertise in addition to the policies of the Canadian Securities Exchange.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performance for executive officers.

#### ***Stock Options***

To provide a long-term component to the executive compensation program, executive officers of the Company are eligible to receive Options. For a description of the purpose behind the Stock Option Plan and a summary of the terms of the Stock Option Plan, see "*Pre-Transaction – Stock Options*", above, and "*Stock Option Plan*", below, respectively.

### Compensation Table for NEOs

The following table and notes thereto provide a summary of the compensation paid to the NEOs of the Company for the two most recently completed financial years ended April 30, 2018 and 2017:

Name, Principal Positions	Year End	Salary (\$)	Share-based Awards (\$) <sup>(3)</sup>	Option-based Awards (\$) <sup>(4)</sup>	Non-Equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Dale Styner <sup>(1)</sup> <i>Former CEO, President, Secretary and Director</i>	2018	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
David Campbell <sup>(2)</sup> <i>Former CFO</i>	2018	4,388	Nil	Nil	Nil	Nil	N/A	Nil	4,388
	2017	5,400	Nil	Nil	Nil	Nil	N/A	Nil	5,400

**Notes:**

- (1) Mr. Styner did not receive any additional compensation for his role as a director of the Company. In connection with the completion of the Transaction, Mr. Styner resigned as CEO, President, Secretary and a director of the Company on September 24, 2018.
- (2) In connection with the completion of the Transaction, Mr. Campbell resigned as CFO on September 24, 2018.
- (3) **"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.
- (4) **"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.

### Incentive Plan Awards

#### Outstanding Option-based Awards and Share-based Awards held by NEOs

The following table and notes thereto provide a summary of the awards outstanding for the NEOs of the Company at the end of the most recently completed financial year ended April 30, 2018:

Name, Principal Positions	Number of Common Shares underlying Unexercised Options	Option-based Awards			Share-based Awards <sup>(1)</sup>		
		Option Exercise Price	Option Expiration Date	Value of the Unexercised in- the-Money Options <sup>(2)</sup>	Number of Unvested Shares or Units	Market Value of Unvested Share-based Awards	Market Value of Vested Share- based Awards not Paid Out or Distributed
Dale Styner <i>Former CEO, President, Secretary and Director</i>	300,000	\$0.10	January 6, 2020	Nil	N/A	N/A	N/A
David Campbell <i>Former CFO</i>	200,000	\$0.10	January 6, 2020	Nil	N/A	N/A	N/A

**Notes:**

- (1) The Company currently has no share-based awards, nor did the Company have any share-based awards outstanding as at April 30, 2018.

- (2) Calculated based on the difference between the exercise price of the Options and the closing price of the Common Shares on the NEX board of the TSX Venture Exchange on April 30, 2018, being \$0.005.

### *Value Vested or Earned by NEOs During the Year*

The following table provides a summary of the value vested or earned by the NEOs of the Company through awards for the most recently completed financial year ended April 30, 2018:

Name, Principal Positions	Value Vested or Earned During the Year		
	Option-based Awards	Share-based Awards	Non-Equity Incentive Plan Compensation
Dale Styner <i>Former CEO, President, Secretary and Director</i>	N/A	N/A	N/A
David Campbell <i>Former CFO</i>	N/A	N/A	N/A

### **Pension Plan Benefits**

The Company does not have a pension plan or provide any benefits following or in connection with retirement. In addition, the Company does not have a deferred compensation plan.

### **Employment, Consulting and Management Agreements**

Prior to the completion of the Transaction, Mr. Styner was the Company's President, CEO and Secretary and Mr. Campbell was the Company's CFO. Mr. Campbell received compensation for the provision of accounting services to the Company and Mr. Styner did not receive any compensation during the year ended April 30, 2018. No formal agreements were in place with either person.

Neither the Company, nor its subsidiaries, had a contract, agreement, plan or arrangement that provided for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

With respect to the above, "Change of Control" means any event, including an amalgamation, merger or consolidation that causes:

- (a) a third party to own or control, directly or indirectly, 50% or more of the voting shares of the Company;
- (b) a third party to own or control, directly or indirectly, sufficient voting shares in the Company to elect a majority of the directors of the Company;
- (c) an assignment, sale, or transfer by the Company of all or substantially all of the Company's business to a third party or to an affiliate or a wholly owned subsidiary; or
- (d) an assignment, sale, or transfer by the Company of all or substantially all of the Company's assets to a third party or to an affiliate or a wholly owned subsidiary.

There are no contracts, agreements, plans or arrangements whereby any current NEO or director is entitled to receive payments from the Company in the event of the resignation, retirement or other termination of the NEO's or director's services with the Company, change of control of the Company or a change in the NEO's responsibilities.

## Summary of Directors' Compensation

### *Pre-Transaction*

Prior to the Transaction, directors of the Company who were not also NEOs (the "**Outside Directors**") were reimbursed by the Company for their out-of-pocket expenses. NEOs of the Company who also acted as directors of the Company did not receive any additional compensation for services rendered in their capacity as directors, other than as paid by the Company to such NEOs in their capacity as NEOs.

There has been no cash compensation (including salaries, director's fees, commissions and bonuses paid for services rendered) paid to Outside Directors or corporations controlled by them, by the Company for the period from May 1, 2014 to April 30, 2018.

During the financial years ended April 30, 2018 and 2017, the Company did not grant any Options to the Outside Directors.

In the Former Board's view, there was no need for the Company to design or implement a formal compensation program for directors. While the Former Board considered granting Options to directors from time to time, the Former Board did not employ a prescribed methodology when determining the grant or allocation of Options. Other than the Stock Option Plan, as discussed under the heading "*Stock Option Plan*" below, the Company did not offer any long term incentive plans, share compensation plans or any other such benefit programs for directors. For further information on compensation paid to the non-employee directors of the Company, see "*Compensation Table for Directors*" below.

### *Post-Transaction*

The directors of the Company will be entitled to receive compensation for services in their capacity as directors. Members of the Board will be entitled to be reimbursed for all reasonable expenses incurred to attend meetings. In addition, the Stock Option Plan allows for the grant of Options to the directors of the Company. A summary of the terms of the Stock Option Plan is included under the heading "*Stock Option Plan*" below.

Compensation of the directors of the Company will be reviewed annually and determined by the Board. The level of compensation for the directors will be determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

### *Compensation Table for Directors*

The following table sets forth all amounts of compensation for each Outside Director, for the financial years ended April 30, 2018 and 2017:

Name, Principal Positions	Year End	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			
David Birnie <sup>(1)</sup>	2018	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
David Safton <sup>(1)</sup>	2018	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil

**Notes:**

- (1) In connection with the completion of the Transaction, Messrs. Birnie and Safton resigned as directors of the Company on September 24, 2018.

**Incentive Plan Awards**

*Outstanding Option-based Awards and Share-based Awards held by Outside Directors*

The following table sets forth for each of the Outside Directors all amounts of compensation for the Company's most recently completed financial year ended April 30, 2018:

Name	Option-based Awards				Share-based Awards <sup>(1)</sup>		
	Number of Shares underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of the Unexercised in-the-Money Options <sup>(2)</sup>	Number of Unvested Shares or Units	Market Value of Unvested Share-based Awards	Market Value of Vested Share-based Awards not Paid Out or Distributed
David Birnie	200,000	\$0.10	January 6, 2020	Nil	N/A	N/A	N/A
David Safton	200,000	\$0.10	January 6, 2020	Nil	N/A	N/A	N/A

**Notes:**

- (1) The Company currently has no share-based awards, nor did the Company have any share-based awards outstanding as at April 30, 2018.  
(2) Calculated based on the difference between the exercise price of the Options and the closing price of the Common Shares on the NEX board of the TSX Venture Exchange on April 30, 2018, being \$0.005.

*Value Vested or Earned by Outside Directors During the Year*

The following table provides a summary of the value vested or earned by the Outside Directors through awards for the most recently completed financial year ended April 30, 2018:

Name, Principal Positions	Value Vested or Earned During the Year		
	Option-based Awards	Share-based Awards	Non-Equity Incentive Plan Compensation
David Birnie	N/A	N/A	N/A
David Safton	N/A	N/A	N/A

**Stock Option Plan**

On December 8, 2016, the shareholders of the Company approved the Stock Option Plan pursuant to which the Board can grant Options to NEOs, directors and employees of the Company or affiliated corporations and to consultants retained by the Company.

The purpose of the Stock Option Plan is to attract, retain and motivate NEOs, directors, employees and other service providers by providing them with the opportunity to acquire an interest in the Company and benefit from the Company's growth. The following is a summary of certain provisions of the Stock Option Plan, a copy of which is attached as Schedule "B" to the management information circular of the Company dated November 4, 2016 (a copy of which is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com)):

- (a) subject to the terms of the Stock Option Plan, Options may be granted in such numbers and with such vesting provisions as the Board may determine;

- (b) the Board shall, at the time an Option is granted under the Stock Option Plan, fix the exercise price at which Common Shares may be acquired upon the exercise of such Options provided that such exercise price shall not be less than the Discounted Market Price (as is defined in Policy 1.1 of the TSXV Corporate Finance Manual);
- (c) the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, subject to any vesting restrictions imposed by the relevant exchange(s) on which the Common Shares are listed;
- (d) Options may be granted for a maximum term of five (5) years;
- (e) Options may only be transferred or assigned subject to the terms of the Stock Option Plan;
- (f) the maximum number of Common Shares reserved for issue under the Stock Option Plan, together with any Common Shares reserved for issuance under any other share compensation arrangements, shall not exceed 10% of the outstanding Common Shares as at the date of the grant;
- (g) the maximum number of Common Shares reserved for issue to any one person under the Stock Option Plan together with any Common Shares reserved for issuance under any other share compensation arrangements shall not exceed 5% of the outstanding Common Shares as at the date of the grant;
- (h) the maximum number of Common Shares reserved for issue to a Consultant (as defined in Policy 4.4 of the TSXV Corporate Finance Manual) or a person engaged in Investor Relations Activities (as defined in Policy 1.1 of the TSXV Corporate Finance Manual) in any 12 month period shall not exceed 2% of the outstanding Common Shares as at the date of the grant;
- (i) Options expire either: (i) within 90 days of (or 30 days with respect to a person engaged in Investor Relations Activities) of termination of employment or holding office as a director, officer, employee or consultant of the Company for any reason other than death or permanent disability; or (ii) for a "reasonable period" at the discretion of the Board;
- (j) in case of death, Options expire on the earlier of one (1) year thereafter or the end of the period during which the Option may be exercised, and may be exercised by legal representatives or designated beneficiaries of the holder of such Options;
- (k) the Company is permitted to make the required source withholdings and remittances in respect of employee stock option benefits as required under the *Income Tax Act* (Canada);
- (l) the Board may suspend or terminate the Stock Option Plan at any time; and
- (m) the Board may, at any time, amend or revise the terms of the Stock Option Plan, subject to the receipt of all necessary regulatory approvals, provided that no such amendment or revision shall alter the terms of any options granted under the Stock Option Plan.