

BITRUSH CORP.
(the “Company”)

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

Dated June 15, 2023

(for the year ended December 31, 2022)

Named Executive Officers

The following information is presented by the management of the Company in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation - Venture Issuers* (“**Form 51-102F6V**”).

During the financial year ended December 31, 2022, the Company had the following Named Executive Officers (“**NEOs**”) being, Karsten Arend, the President & Chief Executive Officer (“**CEO**”) and a director of the Company and Keith Li, the Chief Financial Officer (“**CFO**”) and Corporate Secretary.

“Named Executive Officer or NEO” means: (a) the CEO, (b) the CFO, (c) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, including an individual performing functions similar to a CEO and CFO, 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) of Form 51-102F6V for that financial year; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Director and NEO Compensation, Excluding Compensation Securities

Set out below is a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, excluding compensation securities, during the Company’s two most recently completed financial years to the Company’s NEOs and directors, in any capacity, for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Table of compensation excluding compensation securities							
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 (\$)

Karsten Arend ⁽¹⁾ <i>CEO, President, Director</i>	2022 2021	90,000 90,000	Nil Nil	Nil Nil	Nil Nil	Nil 125,000 ⁽⁶⁾	90,000 215,000
Keith Li ⁽²⁾ <i>CFO</i>	2022 2021	45,000 52,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	45,000 52,000
Hansjoerg Wagner ⁽³⁾ <i>Director</i>	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Edward Boyd ⁽⁴⁾ <i>Director</i>	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 50,000 ⁽⁷⁾	Nil 50,000
Harold Morgan ⁽⁵⁾ <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Effective November 1, 2020, the Company entered into a Consulting Agreement (the “**JIGI Consulting Agreement**”) with Just In-Genius Inc. (“**JIGI**”), an entity controlled by the CEO, for a one-year term (which was subsequently extended annually by mutual agreement between the Company and JIGI and until October 31, 2023), pursuant to which Mr. Arend provides his services as the CEO. JIGI was compensated at a monthly rate of \$7,500 from January 1, 2022 until December 31, 2022. See “JIGI Consulting Agreement”. Mr. Arend was appointed to the Board and as the President of the Company effective on April 4, 2016 and was appointed as the CEO effective on December 19, 2018.
- (2) The Company entered into an Accounting Services Agreement (the “**BCS Agreement**”) with Bronson Corporate Services Ltd. (“**BCS**”) dated August 9, 2018 to provide assistance to the Company in preparing historical financial information of the Company. In connection with such agreement, Mr. Li provided CFO services to the Company. The BCS Agreement was amended on July 1, 2021, whereby Mr. Li provides his services as CFO at a rate of \$5,000 per month. The BCS Agreement was further amended on March 1, 2022 at a rate of \$3,500 per month. See “BCS Agreement”. Mr. Li was appointed as the CFO effective on December 19, 2018.
- (3) Mr. Wagner was appointed to the Board effective on September 14, 2016.
- (4) Mr. Boyd was appointed to the Board effective on December 19, 2018. Mr. Boyd subsequently resigned from the Board on July 25, 2022.
- (5) Mr. Morgan was appointed to the Board effective on August 19, 2022.
- (6) During the year ended December 31, 2021, JIGI charged a one-time fee of \$125,000 to the Company, related to work performed by the CEO from 2016 to 2021. The amount was settled through the issuance of 2,500,000 common shares of the Company at \$0.05 per share (the “Shares-for-Debt Issuance”) completed on July 30, 2021.
- (7) During the year ended December 31, 2021, Mr. Boyd charged a one-time fee of \$50,000 to the Company related to work performed by Mr. Boyd since his appointment to the Board. The amount was settled through the issuance of 1,000,000 common shares of the Company at \$0.05 per share pursuant to the Shares-for-Debt Issuance completed on July 30, 2021.

Stock Options and Other Compensation Securities

Set out below is a summary of all compensation securities granted or issued to each director and NEO by the Company or any subsidiary in the most recently completed financial year for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof.

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

Karsten Arend <i>CEO, President, Director</i>	Options	100,000 ⁽⁸⁾	March 2, 2022	\$0.05	\$0.05	\$0.05	March 2, 2026
Hansjoerg Wagner <i>Director</i>	Options	100,000 ⁽⁸⁾	March 2, 2022	\$0.05	\$0.05	\$0.05	March 2, 2026
Edward Boyd <i>Director</i>	Options	100,000 ^{(8), (9)}	March 2, 2022	\$0.05	\$0.05	\$0.05	March 2, 2026
Harold Morgan <i>Director</i>	Options	100,000 ⁽¹⁰⁾	August 19, 2022	\$0.05	\$0.05	\$0.05	August 19, 2026

Notes:

- (8) On March 2, 2022, the Company granted 500,000 stock options to certain directors and consultants, of which Mr. Arend, Mr. Wagner and Mr. Boyd each received 100,000 options. The stock options are exercisable at a price of \$0.05 per common share for a period of four years and vested immediately on grant.
- (9) On July 25, 2022, Mr. Boyd resigned from the Board. The 100,000 stock options previously granted to him were cancelled on November 23, 2022.
- (10) On August 19, 2022, the Company granted 100,000 stock options to Mr. Morgan. The stock options are exercisable at a price of \$0.05 per common share for a period of four years and vested immediately on grant.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by the directors and the NEOs during the financial year ended December 31, 2022.

External Management Companies

There are no executive management functions of the Company, which are to any substantial degree performed by a person or company other than the directors of the Company or the NEOs. See also “Employment, Consulting and Management Agreements”.

Stock Option Plans and Other Incentive Plans

On August 19, 2021, the Company’s shareholders approved and ratified the enactment of a new Omnibus Plan (the “**Omnibus Incentive Plan**”) to replace its then existing stock option plan. Below is a summary of the material terms and conditions of the Omnibus Incentive Plan. The summary is qualified in its entirety by the full text of the Omnibus Incentive Plan, a copy of which is included as Schedule C in the Management Information Circular of the Company dated July 8, 2021 which is available on SEDAR at www.sedar.com under the Company’s profile. Unless otherwise defined in this Management Information Circular, all defined terms contained in the below summary have the meaning ascribed to them in the Omnibus Incentive Plan.

The purposes of the Omnibus Incentive Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees, consultants and other service providers of the Company and its Affiliates eligible to participate in the Omnibus Incentive Plan; (ii) align the interests of Participants with that of other Shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term

growth of the Company through the acquisition of Common Shares as long-term investments.

The Omnibus Incentive Plan will be administered by the Board (or a committee thereof) and will provide that the Board may from time to time, in its discretion, and in accordance with CSE requirements or any other stock exchange on which the Common Shares are listed (the “**Exchange**”), grant to eligible Participants, non-transferable awards (the “**Awards**”).

Such Awards will include Options, restricted share units (“**RSUs**”), deferred share units (“**DSUs**”) and performance share units (“**PSUs**”).

Subject to adjustment, the number of Common Shares reserved for issuance to Participants under the Omnibus Incentive Plan, together with Common Shares reserved for issuance under any other share compensation arrangements of the Company, shall not exceed 17,691,846 Common shares being 20% of the total number of Common Shares issued and outstanding, on a fixed basis, as of the date of this Management Information Circular. To the extent that an Award lapses or the rights of its Participant terminate, any Common Shares subject to such Award shall again be available for grant under an Award.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval if required by the policies of the Exchange. The maximum number of Common Shares for which Awards may be issued to any one Consultant (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Common Shares, calculated on the date an Award is granted to the Consultant. The maximum number of Common Shares for which Options may be issued to any Persons retained to provide Investor Relations Activities (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Common Shares, calculated on the date an Option is granted to such Persons.

Unless disinterested shareholder approval is obtained, if required by the policies of the Exchange: (i) the maximum number of Common Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares, calculated at the date an Award is granted to any Insider.

The Omnibus Incentive Plan will provide for customary adjustments or substitutions, as applicable, in the number of Common Shares that may be issued under the Omnibus Incentive Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to Shareholders, or any similar corporate event or transaction.

If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required. Notwithstanding the foregoing, in the event of an actual or potential Change of Control of the Company, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or exercised shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control.

Options

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of Common Shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be less than the greater of the closing price per Common Share on the Canadian Securities Exchange either at the date of grant of the Option or the trading day immediately prior to the date of grant of the Option, if the Shares are then trading on the Canadian Securities Exchange. Such price upon exercise of any Option shall be payable to the Company in full in cash, by certified cheque or wire transfer.

Unless otherwise specified in an Award Agreement, and subject to any provisions of the Omnibus Incentive Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest equally over a four year period such that $\frac{1}{4}$ of the Options shall vest on the first, second, third and fourth anniversary dates of the date that the Options were granted.

The Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black out period, Options may be exercised for a period of up to ten years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the "**Termination Date**") as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Incentive Plan and be exercisable for

a period of 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Incentive Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment and determine how long, if at all, such Options may remain outstanding following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Incentive Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Incentive Plan and be exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

RSUs

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Board shall determine.

Each RSU grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of RSUs granted, the settlement date for RSUs, whether such RSU is settled in cash, Common Shares or a combination thereof or if the form of payment is reserved for later determination by the Committee, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no RSU shall vest later than three years after the date of grant. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any RSUs granted pursuant to the Omnibus Incentive Plan as it may deem advisable, including, without limitation, restrictions based upon the achievement of specific performance criteria, time-based restrictions on vesting and, restrictions under applicable laws or under Exchange Policies.

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Company in settlement of such RSUs: (i) in cash, in an amount equal to the product of the FMV of a Common Share on the applicable settlement date multiplied by the number of RSUs being settled, (ii) in a number of Common Shares (issued from treasury) equal to the number of RSUs being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the RSUs. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2 ½ months after the close of the year in which such

conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

Unless otherwise specified in an Award Agreement, and subject to any provisions of the Omnibus Incentive Plan or the applicable Award Agreement relating to acceleration of vesting of RSUs, RSUs shall vest equally over a three year period such that 1/3 of the RSUs granted in an Award shall vest on the first, second and third anniversary dates of the date that the Award was granted, and provided that no RSU granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the RSU was granted.

Subject to the Board's discretion: (i) upon a Participant's termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out to the Participant's estate; (iii) in the case of the disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Omnibus Incentive Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether to accelerate the vesting of such RSUs, cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Omnibus Incentive Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Omnibus Incentive Plan.

Participants holding RSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

DSUs

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding or sale restrictions placed on the Common Shares by the Company upon vesting of such DSUs) as the Board shall determine.

When and if DSUs become payable, the Participant issued such DSUs shall be entitled to receive payment from the Company in settlement of such DSUs: (i) in cash, in an amount equal to the product of the FMV of a Common Share on the applicable settlement date less the stipulated purchase price for the DSUs being settled, if any, multiplied by the number of DSUs being settled, (ii) in a number of Common Shares (issued from treasury) equal to the number of DSUs being

settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout and the timing of settlement thereof shall be set forth or reserved for later determination in the Award Agreement for the grant of the DSUs.

The extent to which a Participant shall have the right to retain DSUs following termination of the Participant's employment or other relationship with the Company, shall be set out in each DSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all DSUs issued pursuant to the Omnibus Incentive Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

PSUs

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Board shall determine. Each PSU shall have an initial value equal to the FMV of a Common Share on the date of grant. After the applicable performance period has ended, the holder of a PSU shall be entitled to receive payout on the value and number of PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Payment of earned PSUs shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Omnibus Incentive Plan, the Committee, in its sole discretion, may pay earned PSUs in the form of : (i) cash equal to the value of the earned PSUs at the end of the applicable Performance Period, (ii) a number of Common Shares issued from treasury equal to the number of earned PSUs at the end of the applicable Performance Period, or (iii) in a combination thereof. Any Common Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Common Shares be made later than the earlier of: (i) 3 months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain PSUs following termination of the Participant's employment or other relationship with the Company, shall be set out in each PSU Award Agreement and determined in the sole discretion of the Board, and need not be uniform among all PSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

Employment, Consulting and Management Agreements

For the fiscal year ended December 31, 2022, the Company's NEOs were provided with cash compensation indirectly. Karsten Arend, the CEO, provided his services pursuant to the JIGI Agreement, an agreement between the Company and JIGI, and Mr. Li, the CFO, provided his services pursuant to the BCS Agreement, an agreement between the Company and BCS. Particulars of the agreements between the Company and each of these entities are provided below.

JIGI Consulting Agreement

Effective November 1, 2020, the Company entered into the JIGI Consulting Agreement with JIGI, an entity controlled by the CEO, for a one-year term (which was subsequently extended annually by mutual agreement of the Company and JIGI and for another one-year term until October 31, 2023), pursuant to which Mr. Arend, as principal, provides certain consulting services including his services as the CEO. JIGI invoices the Company for the services provided by Mr. Arend at a monthly rate of \$7,500. The JIGI Consulting Agreement may be terminated by JIGI by giving the Company sixty (60) days written notice, and the Company may terminate such agreement upon 60 days' written notice to JIGI or by paying JIGI a fee equal to \$15,000 in lieu thereof. JIGI is responsible for all of its expenses but may be reimbursed for expenses approved by the Company.

The JIGI Consulting Agreement does not contain change of control, severance, termination or constructive dismissal provisions, except as aforementioned.

BCS Agreement

The Company entered into the BCS Agreement with BCS effective August 9, 2018 pursuant to which BCS then assisted the Company in the preparation of certain historical financial information for the Company required in connection with the revocation of a certain cease trade order which was revoked by the Ontario Securities Commission on May 21, 2021. In connection with the BCS Agreement, Mr. Li provided his services as the CFO at a rate of \$750 per month. On July 1, 2021, the BCS Agreement was amended, whereby Mr. Li provides his services as CFO at a rate of \$5,000 per month. On March 1, 2022, the BCS Agreement was further amended at a rate of \$3,500 per month. Mr. Li assumed the role of CFO of the Company effective as of December 19, 2019. Mr. Li is an employee of BCS.

The BCS Agreement does not provide for any change of control, severance, termination or constructive dismissal provisions.

Oversight and Description of Director and NEO Compensation

Currently, directors of the Company do not receive any compensation for their role and services as members of the Board. Compensation matters are currently determined by the entire Board. The Board is responsible for reviewing the compensation plans and severance arrangements (if any) for management, in light of currently limited resources of the Company. The Board anticipates that the Company will in the future have a plan for the continuity of its officers and a compensation plan that is motivational and competitive given the Company's circumstances at

the relevant time and its future business plans.

Notwithstanding the foregoing, the Board has established and may establish in the future an *ad hoc* compensation committee if and when the compensation of the CEO and the CFO, respectively, is reviewed. This review is conducted in the context of the services that Mr. Arend and Mr. Li provide in the context of market rates for persons of similar qualifications performing similar services. Once the *ad hoc* compensation committee has finished its review, it submits its recommendation to the Board for final approval. In connection with the Board's final approval, Mr. Arend has and will declare his interest in the matter to the Board and recuse himself from voting on his compensation.

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account:

- in the case of the Board, its mandate and charter; and
- in the case of an individual director, the applicable position description(s), if any, as well as the competencies and skills each individual director is expected to possess.

Elements of Compensation

The Board conducts reviews with regard to the compensation of the directors and executive officers once a year taking into account the types of compensation and the amounts paid to directors and officers of comparable Canadian companies.

Cash Compensation

For the fiscal year ended December 31, 2022, the NEO's received cash compensation of \$74,714 and \$33,730, including the applicable tax, paid to JIGI and BCS, respectively. Given the Company's limited resources, it does not currently have a specific formula for determining the amount of compensation nor formal approach for determining how the compensation fits into the overall compensation objectives in respect of the activities of the Company which are currently limited. However, both the JIGI Consulting Agreement and the BCS Agreement were approved by the Board. The cash compensation received by the NEOs was not evaluated against a formal "peer group".

Performance-Based Cash Bonuses

The Company may elect to utilize cash bonuses when appropriate in the future. When and if utilized, the amount of cash bonus compensation will normally be paid on the basis of timely achievement of specific pre-agreed milestones. Each milestone will be selected based upon consideration of its impact on shareholder value creation and the ability of the Company to achieve the milestone during a specific interval. The amount of bonus compensation will be determined based upon achievement of the milestone, its importance to the Company's near and long term goals at the time such bonus is being considered, the bonus compensation awarded to similarly situated executives in similarly situated development stage companies or any other factors the Company may consider appropriate at the time such performance-based bonuses are

decided upon.

No cash bonuses were paid to the NEOs for the financial year ended December 31, 2022 and it is not expected that any such bonuses would be paid in 2023. As of the date hereof, in respect of the current financial year, the Company has not set any pre-agreed milestones with its NEOs in connection with the payment of cash bonuses.

Securities Based Compensation

Securities based compensation is a key compensation element for the Company because such compensation aligns with the objectives of the Company's executive officers, consultants and other eligible participants with those of shareholders. The Company has and expects to continue to provide securities based compensation to its executive officers. The precise amount of securities based compensation, whether pursuant to the grant of stock options, RSUs, DSUs and/or PSUs to be awarded will be governed by the importance of the role within the Company, by the competitive environment within which the Company operates, and by the regulatory limits on incentive compensation grants pursuant to the Omnibus Incentive Plan. When considering any securities based compensation award to an executive officer, consideration of the number of Awards previously granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

The Company granted 100,000 Options to Mr. Arend during the fiscal year ended December 31, 2022. No other RSUs, DSUs, and/or PSUs to its NEOs during the fiscal year ended December 31, 2022.

Pension Disclosure

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

Except as described herein, no other elements of compensation were awarded to, earned by, paid or payable to the NEOs or directors in the most recently completed financial year ended December 31, 2022.