

**FORM 51-102f6v**  
**STATEMENT OF EXECUTIVE COMPENSATION**  
**(For the Year Ended December 31, 2021)**

**General**

The following information, dated as of August 5, 2022, is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102.

For the purposes of this Form, a “Named Executive Officer”, or “NEO”, 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, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a NEO 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.

Based on the foregoing definitions, the Company’s NEOs in respect of the year ended December 31, 2021 were Myles Bartholomew, President and Chief Executive Officer and Ms. Sandy Kokkinis, Chief Financial Officer.

**Summary Compensation Table**

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the Named Executive Officers and the directors of the Company:

| TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES <sup>(1)</sup>              |      |   |            |                                |                           |                                      |                         |
|---|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| 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 (\$) |
| Myles Bartholomew <sup>(2)</sup><br>President, Chief Executive Officer and Director | 2021 | 152,950   | Nil        | Nil                            | Nil                       | Nil                                  | 152,950                 |
|   | 2020 | 84,000  | Nil        | Nil                            | Nil                       | Nil                                  | 84,000                  |
| Sandy Kokkinis <sup>(3)</sup><br>Chief Financial Officer                            | 2021 | 105,880   | Nil        | Nil                            | Nil                       | Nil                                  | 105,880                 |
|   | 2020 | 88,000  | Nil        | Nil                            | Nil                       | Nil                                  | 88,000                  |
| Gary Bartholomew (CNV) <sup>(4)</sup><br>Director                                   | 2021 | 300,613   | Nil        | Nil                            | Nil                       | 85,867                               | 386,480                 |
|   | 2020 | 210,000   | Nil        | Nil                            | Nil                       | Nil                                  | 210,000                 |
| Doug Beynon<br>Director   | 2021 | 0   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
|   | 2020 | 0   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
| Stephen Barley <sup>(5)</sup><br>Director   | 2021 | N/A   | N/A        | N/A                            | N/A                       | N/A                                  | N/A                     |
|   | 2020 | 0   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
| Witold Ostrenko <sup>(6)</sup>  | 2021 | 0   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
|   | 2020 | 0   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Fees paid in accordance with the employment agreement of Myles Bartholomew described under the heading "Employment, Consulting and Management Agreements".
- (3) Sandy Kokkinis resigned on March 9, 2022 and was replaced by Charles Sung.
- (4) Fees paid in accordance with the employment agreement of Gary Bartholomew described under the heading "Employment, Consulting and Management Agreements".

- Consulting and Management Agreements".*
- (5) *Mr. Barley resigned from the board of directors on November 22, 2020.*
- (6) *Mr. Ostrenko was appointed to the board of directors on November 22, 2020.*

## Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities outstanding as at the date hereof to each Named Executive Officer and to each director of the Company:

| 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   |
| Myles Bartholomew<br>President, Chief<br>Executive Officer and<br>Director | Stock Options<br>exercisable for 1<br>common share | 5,000,000<br>2,500,000<br>2,000,000   | June 25, 2021          | 0.05<br>0.05<br>0.01                     | 0.05   | \$0.01  | June 25, 2031 |
| Sandy Kokkinis <sup>(1)</sup><br>Chief Financial Officer                   | Stock Options<br>exercisable for 1<br>common share | 3,500,000<br>100,000<br>500,000<br>100,000<br>2,000,000                                     | June 25, 2021          | 0.05<br>0.10<br>0.05<br>0.015<br>0.01    | 0.05   | \$0.01  | June 25, 2031 |
| Gary Bartholomew<br>Director   | Stock Options<br>exercisable for 1<br>common share | 5,000,000<br>500,000<br>2,500,000<br>4,000,000  | June 25, 2021          | 0.05<br>0.09<br>0.05<br>0.01             | 0.05   | \$0.01  | June 25, 2031 |
| Doug Beynon<br>Director  | Stock Options<br>exercisable for 1<br>common share | 4,500,000<br>150,000<br>500,000<br>250,000<br>2,000,000                                     | June 25, 2021          | 0.05<br>0.12<br>0.05<br>0.015<br>0.01    | 0.05   | \$0.01  | June 25, 2031 |
| Stephen Barley<br>Director   | Stock Options<br>exercisable for 1<br>common share | Nil<br>150,000<br>500,000<br>250,000  |                        | N/A<br>0.12<br>0.05<br>0.015             |  |   |               |
| Witold Ostrenko  | Stock Options<br>exercisable for 1<br>common share | Nil<br>1,000,000  |                        | N/A<br>0.01                              |  | \$0.01  |               |

*Note:*

- (1) *Sandy Kokkinis resigned as CFO on March 9, 2022 and was replaced by Charles Sung.*

No compensation securities were exercised by any Named Executive Officer or any director of the Company during the most recently completed financial year of the Company.

## Stock Option Plan and other Incentive Plans

The Company has in place a “rolling” stock option plan (the “**Stock Option Plan**”), as amended which was approved by the shareholders on December 9, 2015.

The purpose of the Stock Option Plan is to, among other things, encourage Common Share ownership in the Company by directors, officers, employees and consultants of the Company and its affiliates and other designated persons. Options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Company and its subsidiaries and other designated persons as designated from time to time by the Board. The number of options which may be issued under the Stock Option Plan is limited to 15% of the number of Common Shares outstanding at the time of the grant of the options. As at December 31, 2021, the Company had 1,688,540,535 Common Shares outstanding so that a maximum of 253,281,080 Common Shares were reserved for issuance under the Stock Option Plan. At the date hereof, the Company has 1,993,742,722 Common Shares outstanding so that a maximum of 299,061,408 Common Shares are reserved for issuance under the Stock Option

Plan. Any Common Shares subject to an option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Stock Option Plan. The option price of any Common Shares cannot be less than the market price of the Common Shares. Options granted under the Stock Option Plan may be exercised during a period not exceeding ten years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Company or any of its subsidiaries or ceasing to have a designated relationship with the Company, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the common shares, a merger or other relevant changes in the Company's capitalization. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Company in respect of options granted under the Stock Option Plan.

### ***Deferred Share Unit Plan***

The Company has in place a deferred shared unit plan (the “**DSU Plan**”) which was approved by the shareholders on December 9, 2015.

Pursuant to the DSU Plan, senior officers and directors (the “**Eligible Participants**”) are entitled to elect to receive deferred share units (“**DSUs**”) in full or partial satisfaction of their director fees, with each DSU having a value equal to the market price of the Common Shares, which under the DSU Plan is equal to the volume weighted-average closing price of the Common Shares in the period of five trading days preceding the date of grant. An Eligible Participant who redeems a DSU under the DSU Plan as of an entitlement date will be entitled to receive from the Company, as a single distribution, one Common Share for each whole DSU redeemed. Although each DSU is fully vested or on grant, it is not payable by the Company until the Eligible Participant ceases to be a member of the Board. Each Eligible Participant is required to hold the DSUs until he or she either resigns or is not re-elected to the Board, following which the DSU will be redeemed by the Company for cash during a prescribed period at a value equal to the market price of the Common Shares prevailing at the date of redemption. There are no restrictions on a director assigning his or her entitlement to payment pursuant to the DSU Plan. The DSUs and other benefits under the DSU Plan are non-transferable and non-assignable. Any Common Shares subject to a DSU which, for any reason, is cancelled or terminated will be available for a subsequent DSU grant under the DSU Plan. The aggregate number of Common Shares issuable by the Company under the DSU Plan is limited to 20% of the outstanding Common Shares from time to time. As of December 31, 2021, the Company had 1,688,540,535 Common Shares outstanding resulting in the aggregate number of Common Shares issuable by the Company under the DSU Plan being limited to 337,708,107 Common Shares. As of the date hereof, the Company has 1,993,742,722 Common Shares outstanding resulting in the aggregate number of Common Shares issuable by the Company under the DSU Plan being limited to 398,748,544 Common Shares. The Company may amend the DSU Plan as it deems necessary or appropriate, but no such amendment may adversely affect the rights of an eligible director in DSUs granted prior to the date of amendment without the consent of the director. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the DSU Plan or may terminate the DSU Plan at any time.

### ***Employee Share Purchase Plan***

The Company has in a place an employee share purchase plan (the “**Employee Share Purchase Plan**”) which was approved by the shareholders on December 9, 2015.

The purpose of the Employee Share Purchase Plan is to, among other things, advance the interests of the Company by encouraging its employees, directors and officers (“**Eligible Employees**”) to invest in Common Shares, thereby increasing the proprietary interests of such Eligible Employees in the Company and aligning the interests of such Eligible Employees with the interests of the Company's shareholders generally. Under the Employee Share Purchase Plan, the Board (or a committee thereof) has authority to select Eligible Employees, who may participate in the Employee Share Purchase Plan. The Company will match the contribution of the Eligible Employee, which is limited to 10% of the basis annual remuneration of the Eligible Employee, on a quarterly basis. Each Eligible Employee will receive Common Shares having a value equal to the aggregate amount contributed to the Employee Share Purchase Plan by the Eligible Employee and the Company or through treasury issuances or market purchases. The purchase price per Common Share will be the weighted average price of the Common Shares on the Canadian Securities Exchange for the calendar quarter in respect of which the Common Shares are issued. These Common Shares will either be issued from treasury or acquired through market purchases and delivered to Eligible Employees

12 months after their date of issue or purchase, as applicable (or a later date if required by applicable laws, regulations or listing requirements). The maximum number of Common Shares made available for the Employee Share Purchase Plan may be determined from time to time by the Board (or committee thereof) but, in any case, is limited to 5% of the Common Shares issued and outstanding.

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

The Company has in place the following employment agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers:

#### ***Myles Bartholomew***

Pursuant to an employment agreement made as of January 1, 2013, the Company engaged the services of Myles Bartholomew as Chief Executive Officer of the Company at a salary of \$90,000 per year (the “**MB Agreement**”). In 2015 the annual compensation was increased to \$120,000 per year and in 2016 to \$180,000 per year.

The MB Agreement is terminable by the Company in the event of bankruptcy, breach of the MB Agreement, or for “Cause” which includes gross negligence, gross insubordination, chronic culpable absenteeism or lateness (other than for disability under the *Human Rights Code*) and other conduct incompatible with continued services, or by either party upon 6 months’ written notice. In the event of termination of Myles’ employment in the role as a Chief Executive Officer, Myles is entitled to remain as an advisor or consultant of the Company in order to retain the options granted and vested.

#### ***Gary Bartholomew***

The Company entered into a Board of Directors Services Agreement with Gary Bartholomew dated January 1, 2013 for a term of one year with annual compensation of \$120,000, and automatically renewable for successive one year terms, unless notice of non-renewal is provided by the Company or Mr. Bartholomew.

There are no employment agreements in place with any of the directors of the Company.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### ***Compensation of Directors***

The Board, at the recommendation of the management of the Company, determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. For their role as directors of the Company, each director of the Company who is not a Named Executive Officer may, from time to time, be awarded stock options under the provisions of the Stock Option Plan. There are no other arrangements under which the directors of the Company who are not Named Executive Officers were compensated by the Company or its subsidiaries during the two most recently completed financial years for their services in their capacity as directors of the Company.

#### ***Compensation of Named Executive Officers***

##### *Principles of Executive Compensation*

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;

3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long term value; and
5. connect, if possible, the Company's employees into principles 1 through 4 above.

The Board is responsible for the Company's compensation policies and practices. The Board has the responsibility to review and make recommendations concerning the compensation of the directors of the Company and the Named Executive Officers. The Board also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Stock Option Plan. The Board also reviews and approves the hiring of executive officers.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers of the Company is consistent with the administration of salaries for all other employees.

#### Annual Incentives

The Company is not currently awarding any annual incentives by way of cash bonuses. However, the Company, in its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

#### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

#### Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

#### **Pension Disclosure**

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

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

The Company has not provided compensation, monetary or otherwise, during the two preceding fiscal years, to any person who now acts or has previously acted as a Named Executive Officer or director of the Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates. Except as set forward under "*Employment, Consulting and Management Agreements*", the Company is not party to any compensation plan or arrangement with Named Executive Officers or directors of the Company resulting from the resignation, retirement or the termination of employment of such person.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN**

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issue as of December 31, 2021:

#### **Equity Compensation Plan Information**

| Plan Category   | Number of securities to be issued upon exercise of outstanding options and DSUs (#) | Weighted-average exercise price of outstanding options only (\$) | Number of securities remaining available for future issuance under equity compensation plans (#) |
|---|---|--|--|
| Equity compensation plans approved by securityholders     | 79,760,000  | 0.08   | 618,049,953  |
| Equity compensation plans not approved by securityholders | Nil   | Nil  | Nil  |
| <b>Total</b>  | 79,760,000  | 0.08   | 618,049,953  |

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding two years or in any proposed transaction that has materially affected or will materially affect the Company.

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.