

SUPERNOVA METALS CORP.

1090 Hamilton Street
Vancouver, British Columbia
V6B 2R9

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

During the financial year ended December 31, 2021, Supernova Metals Corp. (the “Company”) had two Named Executive Officers (“NEOs”) being, Sean McGrath, the Chief Executive Officer (“CEO”), and Ken Brophy, the Chief Financial Officer (“CFO”) of the Company.

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; 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, nor acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION TABLE

Named Executive Officer Compensation Table

Table of compensation excluding compensation securities							
Name and principal position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Sean McGrath ⁽¹⁾ CEO	2021	162,000	Nil	Nil	Nil	Nil	162,000
	2020	120,000	Nil	Nil	Nil	12,000 ⁽³⁾	132,000
	2019	57,500	Nil	Nil	Nil	12,000 ⁽³⁾	69,500
Ken Brophy ⁽²⁾ CFO	2021	90,000	Nil	Nil	Nil	Nil	90,000
	2020	77,500	Nil	Nil	Nil	12,000 ⁽⁴⁾	89,500
	2019	13,500	Nil	Nil	Nil	3,000 ⁽⁴⁾	16,500

Notes:

- (1) Mr. McGrath has served as CEO of the Company since February 28, 2020 and served as the CFO of the Company from July 14, 2011 to March 16, 2011.
- (2) Mr. Brophy has served as CFO of the Company since March 16, 2021.
- (3) The compensation represents director fees paid to Mr. McGrath.
- (4) The compensation represents director fees paid to Mr. Brophy.

DIRECTOR COMPENSATION

Name	Year	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Roger March ⁽¹⁾	2021	4,150	N/A	Nil	N/A	N/A	N/A	4,150
	2020	9,432	N/A	Nil	N/A	N/A	4,000 ⁽³⁾	13,432
	2019	Nil	Nil	Nil	N/A	N/A	N/A	Nil
Dr. Kent Ausburn ⁽²⁾	2021	17,722	N/A	Nil	N/A	N/A	N/A	17,722
	2020	Nil	N/A	Nil	N/A	N/A	N/A	Nil
	2019	Nil	Nil	Nil	N/A	N/A	N/A	Nil

(1) Mr. March has served as a director of the Company since September 3, 2020.

(2) Mr. Ausburn has served as a director of the Company since January 4, 2021.

(3) The compensation represents director fees paid to Mr. March.

Stock Options and Other Compensation Securities

On June 2, 2020, the Company granted 625,000 stock options to directors of the Company. The options were exercisable at \$0.40 per share, vested immediately and expire on June 2, 2025.

On December 3, 2020, the Company granted 250,000 stock options to a director of the Company. The options were exercisable at \$1.36 per share, vested immediately and expire on December 3, 2022.

There were no stock options outstanding as at December 31, 2021.

On September 10, 2021, the Company granted 275,000 restricted stock units (“RSUs”) to directors and officers of the Company. The RSUs vested immediately and expire on December 31, 2024.

The following table sets forth details of all RSUs granted to NEOs or directors of the Company which were outstanding as at December 31, 2021.

Name	Number of securities underlying unexercised RSUs (#)	RSU expiration date
Sean McGrath <i>CEO</i>	112,500	December 31, 2024
Ken Brophy <i>CFO</i>	112,500	December 31, 2024

Roger March Director	25,000	December 31, 2024
Dr. Kent Ausburn Director	25,000	December 31, 2024

Exercise of Compensation Securities by Directors and Named Executive Officers

A total of 200,000 stock options were exercised at \$0.40 per share by a former director of the Company during the most recently completed financial year.

External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

Stock Option Plans and other incentive plans

Stock Option Plan

The Company has in effect a 10% rolling stock option plan (the “**Stock Option Plan**”) last approved by the shareholders of the Company at its annual general meeting held on May 2, 2019. The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum aggregate number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding share capital of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the last closing price of the Company’s shares traded through the facilities of the TSX Venture Exchange (the “**Exchange**”) prior to the announcement of the option grant, or such other price as may be required or permitted by the Exchange, or if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The Board shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date on which the Board grants and announces the granting of the option.
4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death) then the option granted shall expire on a date stipulated by the Board at the time of grant and, in any event, must terminate within 60 days after the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Stock Option Plan.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

RSU Plan

On September 9, 2020, the Company adopted its RSU Plan.

The Board adopted the RSU Plan to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected Eligible Persons (the “**Eligible Persons**”) related to the achievement of long-term financial and strategic objectives of the Company and the resulting increases in shareholder value. The RSU Plan is intended to promote a greater alignment of interests between the shareholders of the Company and the selected Eligible Persons by providing an opportunity to participate in increases in the value of the Company. As the Company continues to measure its performance and shareholder value, the Company exercises considerable care to restrain share dilution and therefore wishes to use the granting of RSUs to certain directors, officers, consultants and employees.

The RSUs granted under the RSU Plan will vest upon the date that is the later of (i) the date of grant of the RSU, or if no date has been set, December 1 of the third calendar year following the date of grant of the RSU, or (ii) the date that the Eligible Person has achieved the relevant performance condition, or other vesting condition set out in the Award Agreement, as hereinafter defined, or has been satisfied, subject to the RSU Plan. RSUs tend to serve as short term (maximum of 3 years) compensation, depending on the vesting criteria imposed by the Board. When determining the number of RSUs to be granted to a director, officer or other consultant or employee, the Board takes into account the duties and seniority of the Eligible Person, the performance of the and contributions to the success of the Company.

Under the terms of the RSU Plan, the Board may grant RSUs to eligible participants. Each RSU represents the right to receive one common share for no additional consideration upon vesting of an RSU in accordance with the terms of the RSU Plan.

A director, officer, employee or consultant of the Company who has been designated by the Company for participation in the RSU Plan and who agrees to participate in the RSU Plan is an eligible participant to receive RSUs under the RSU Plan (an “**RSU Participant**”). Participation in the RSU Plan is voluntary and, if an eligible participant agrees to participate, the grant of Units will be evidenced by an agreement between the Company and the participant (an “**Award Agreement**”).

The maximum number of common shares issuable, but not already issued, upon conversion of RSUs granted or available for grant under the RSU Plan, unless otherwise approved by shareholders, is up to 10% of the Company’s issued and outstanding common shares. There are no RSUs outstanding as at the date of this Circular.

Unless Disinterested Shareholder Approval (defined below) is obtained, the RSU Plan, is subject to the following limitations:

- (a) the maximum number of common shares which may be reserved for issuance to Insiders (as a group) under the RSU Plan may not exceed 10% of the issued common shares;
- (b) the maximum number of RSUs that may be granted to Insiders (as a group) under the RSU Plan, within a 12-month period, may not exceed 10% of the issued common shares calculated on the grant date; and
- (c) the maximum number of RSUs that may be granted to any one Eligible Person under the RSU Plan may not exceed 5% of the issued common shares calculated on the grant date.

If an RSU Participant ceases to be an eligible participant under the RSU Plan due to termination with cause or voluntary termination by the RSU participant, all unvested RSUs previously credited to the participant's account and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a termination arising from the termination of employment or removal from service by the Company or a related entity for cause, retirement of the recipient or the voluntary resignation by the recipient.

If an RSU Participant ceases to be an eligible participant under the RSU Plan due to termination without cause, death, total or permanent long-term disability or retirement, any unvested RSUs previously credited to the participant's account will immediately vest on the date the recipient ceases to be an Eligible Person, unless the Board at any time otherwise determines.

RSUs and all other rights, benefits or interests in the RSU Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a recipient dies the legal representatives of the recipient will be entitled to receive the amount of any payment otherwise payable to the recipient hereunder in accordance with the provisions hereof.

If a cash dividend is paid on the common shares of the Company, a recipient's account will be credited with the number and type of RSUs (including fractional RSUs, computed to three digits) calculated by:

- (a) multiplying the amount of the dividend per common share by the aggregate number of RSUs that were credited to the Eligible Person's account as of the record date for payment of the dividend, and
- (b) dividing the amount obtained in §(a) by the Fair Market Value on the date on which the dividend is paid.

Under the terms of the RSU Plan, the Board may amend the RSU Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of the recipient or unless required by law, adversely affect the rights of a recipient with respect to RSUs to which the Recipient is then entitled under the RSU Plan.

RSUs are not considered to be common shares or securities of the Company, and an RSU Recipient who is issued RSUs will not, as such, be entitled to receive notice of or to attend any shareholders' meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of common shares or other securities of the Company, and will not be considered the owner of common shares by virtue of such issuance of RSUs.

The RSU Plan is an unfunded plan, including for tax purposes and for purposes of the *Employee Retirement Income Security Act* (United States). Any recipient to which RSUs are credited to his or her account or holding RSUs or related accruals under the RSU Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder

Employment, consulting and management agreements

Pursuant to a consulting agreement with a corporation controlled by Sean McGrath, effective September 1, 2021 the Company agreed to remunerate Mr. McGrath \$162,000 per year, including a \$42,000 bonus, for providing CEO services. In addition, in the event of termination by the Company other than for just cause, disability or death or termination for “good reason”, the Company shall pay McGrath within 7 days after the date of termination the amount equal to CAD\$162,000 plus any accrued but unpaid consulting fees and expenses and 100% of the outstanding and unvested compensation securities shall become fully vested and any compensation securities as of the date of termination will remain exercisable for one year.

Other than as disclosed above, to the knowledge of management of the Company, no informed person or nominee for election as a Director of the Company had any interest in any material transaction during the Company’s last completed financial year or has any interest in any material transaction in the current year other than as set out herein.

Oversight and description of director and named executive officer compensation

The Board of Directors (the “**Board**”) does not have in place a compensation committee. All tasks relating to the development and assessment of the compensation paid to both the NEOs and directors is performed by members of the Board. Compensation is reviewed on an annual basis. The Company’s compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility.

The objectives and reasons for this system of compensation are generally to allow the Company to remain competitive compared to its peers in attracting and retaining experienced personnel. In general, a NEO’s compensation is comprised of salary, wages or contractor payments and stock option grants.

Salary, wages or contractor payments for each NEO are based on the position held, the related responsibilities and functions performed by the NEO and salary ranges paid to executives at similar companies.

Stock option and RSU grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options and RSUs are granted, the Board takes into account the previous grants of options, the number of stock options and RSUs currently held, position, overall individual performance, anticipated contribution to the Company’s future success and the individual’s ability to influence corporate and business performance. The purpose of granting such stock options and RSUs is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

At this time the Board has not established any performance criteria or goals.

There were no significant changes to the Company's compensation policies during or after the most recently completed financial year that could or would have affected the Named Executive Officers compensation.

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.