

AARDVARK VENTURES INC.

STATEMENT OF EXECUTIVE COMPENSATION

**FOR THE YEARS ENDED
AUGUST 31, 2022 and AUGUST 31, 2021**

Dated: June 6, 2023

STATEMENT OF EXECUTIVE COMPENSATION

OBJECTIVE

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave, or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

DEFINITIONS

For the purpose of this Statement of Executive Compensation:

“**Company**” means Aardvark Ventures Inc.;

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 Share-based Payment;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**grant date**” means a date determined for financial statement reporting purposes under IFRS 2 Share-based Payment;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid, or payable under an incentive plan;

“**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 for that financial year; and
- (d) each individual who would be a named executive officer 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;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“**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;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“**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;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Based on the foregoing definitions during the most recently completed financial year ended August 31, 2022, the Company had one (1) NEO, namely Gary Monaghan, Chief Executive Officer, Chief Financial Officer, and Director.

All monetary amounts in this Statement of Executive Compensation are expressed in Canadian dollars.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO compensation, excluding options and compensation securities

The following table sets forth all compensation, excluding options and compensation securities, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, for the two most recently completed financial years, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

Table of Compensation Excluding Compensation Securities							
Name and position	Year Ended August 31	Salary, consulting fee, retainer, or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Gary Monaghan ⁽¹⁾ CEO, CFO, Director, and Former Corporate Secretary	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Scott Davis ⁽²⁾ Director	2022	30,000	Nil	Nil	Nil	Nil	30,000
	2021	7,500	Nil	Nil	Nil	Nil	7,500
Gordon Villeneuve ⁽³⁾ Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Scott E. Broughton ⁽⁴⁾ Former CEO, Former President and Former Director	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	Nil	Nil	Nil	Nil	Nil	Nil
David J. Skerlec ⁽⁵⁾ Former CFO and Former Corporate Secretary	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	1,929	Nil	Nil	Nil	Nil	1,929
John F. Baker ⁽⁶⁾ Former Director	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Gary Monaghan was appointed as CEO, CFO and a director on May 9, 2021; and served as Corporate Secretary from May 9, 2021 until May 18, 2023.
- (2) Scott Davis was appointed as a director of the Company on May 9, 2021.
- (3) Gordon Villeneuve was appointed as a director of the Company on May 9, 2021.
- (4) Scott E. Broughton served as President and a director of the Company from June 19, 2001 until May 9, 2021; and as CEO of the Company from September 24, 2002 until May 9, 2021.
- (5) David J. Skerlec served as a director of the Company from March 5, 2003 until May 9, 2021; and as CFO and Corporate Secretary of the Company from March 7, 2003 until May 9, 2021.
- (6) John F. Baker served as a director of the Company from February 14, 2007 until September 6, 2021.

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any NEO and director by the Company or one of its subsidiaries during the financial year ended August 31, 2022, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by a director or NEO of the Company during the financial year ended August 31, 2022.

Stock Option Plans and Other Incentive Plans

The Company has adopted a stock option plan (the “**Option Plan**”) pursuant to which the Board may grant options (the “Options”) to purchase common shares of the Company (the “**Shares**”) to NEOs, directors and employees of the Company or affiliated corporations and to consultants retained by the Company. The number of common shares which may be issued pursuant to options previously granted and those granted under the Option Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. No Options were granted under the Option Plan during the two most recently completed financial years, and there are currently no Options outstanding.

Employment, consulting, and management agreements

The Company did not have any employment, consulting, or management agreements or any formal arrangements with the Company’s current NEOs or directors regarding compensation during the most recently completed financial year ended August 31, 2022, in respect of services provided to the Company or subsidiaries thereof.

Termination and Change of Control Benefits

Except as disclosed above, as at the year ended August 31, 2022, the Company did not have any contract, agreement, plan, or arrangement that provides for payment to any NEOs, executive officers, or directors at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company, or a change in an NEO, executive officer or director’s responsibilities.

Oversight and description of director and named executive officer compensation**Compensation of Directors**

The compensation of directors is determined and reviewed by the Company’s Compensation Committee. Such compensation is determined after consideration of various 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.

In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for directors. While the Board considers Option grants to directors under the Option Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of Options (See *Stock Options and Other Compensation Securities*). Other than the Option Plan, as discussed above, the Company does not offer any long term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Compensation of NEOs is reviewed annually and determined by the Board. The level of compensation for NEOs is 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. In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for NEOs.

Base Salary

Due to the relatively small size of the Company, limited cash resources, and the early stage and scope of the Company's operations, NEOs do not receive any salaries from the Company. As additional capital becomes available, the Board will review salaries to ensure that NEOs are appropriately compensated.

Option Based Awards

As discussed above, the Company provides an Option Plan to motivate NEOs by providing them with the opportunity, through Options, to acquire an interest in the Company and benefit from the Company's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of Options to NEOs. Other than the Option Plan, the Company does not offer any long term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs. Details of Option Based Awards are detailed under the heading *Stock Options and Other Compensation Securities*.

Compensation Discussion and Analysis

The Board has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board do not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Use of Financial Instruments

The Company does not have a policy that would prohibit a NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. However, management is not aware of any NEO or director purchasing such an instrument.

Pension disclosure

The Company does not have any pension, retirement, defined benefit, defined contribution, or deferred compensation plans that provides for payments or benefits to its directors and NEOs at, following, or in connection with retirement and none are proposed at this time.