

Cumberland Resources Nickel Corp.
(the “Company”)

Form 51-102F6V

Statement of Executive Compensation – Venture Issuers
(For the Year Ended September 30, 2023)

General

The following information, dated as of November 12, 2024, 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:

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**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;

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

“**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, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (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 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;

“**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;

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

Based on the foregoing definitions, during the financial year ended September 30, 2023, the Company had two NEOs, namely Binyomin Posen, CEO and Kyle Appleby, CFO.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table (presented in accordance with National Instrument Form 51-102F6 Statement of Executive Compensation) excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the completed financial years ended September 30, 2023 and 2022. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities and Instruments*” below.

Table of compensation excluding compensation securities							
Name and position	Year⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Binyomin Posen, CEO	2023	25,000	-	-	-	-	25,000
	2022	Nil	-	-	-	-	Nil
Kyle Appleby, CFO	2023	36,000	-	-	-	-	100,000
	2022	27,000	-	-	-	-	Nil
David Shisel, Director	2023	Nil	-	-	-	-	Nil
	2022	Nil	-	-	-	-	Nil
Erin Wilson	2023	Nil	-	-	-	-	Nil
	2022	Nil	-	-	-	-	Nil

Notes:

(1) Year ended September 30.

Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted, or issued by the Company to each NEO and directors of the Company for the fiscal year ended September 30, 2023 for services provided, directly or indirectly, to 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
Binyomin Posen, CEO	Options	500,000	Dec 29, 2022	\$0.05	\$0.05	\$0.02	Dec 29, 2025
Kyle Appleby, CFO	Options	400,000	Dec 29, 2022	\$0.05	\$0.05	\$0.02	Dec 29, 2025
David Shisel, Director	Options	400,000	Dec 29, 2022	\$0.05	\$0.05	\$0.02	Dec 29, 2025
Erin Wilson, Director	Options	400,000	Dec 29, 2022	\$0.05	\$0.05	\$0.02	Dec 29, 2025

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Company for the fiscal year ended September 30, 2023: None

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Binyomin Posen, CEO	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Kyle Appleby, CFO	n/a	Nil	n/a	n/a	n/a	n/a	n/a
David Shisel, Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Erin Wilson, Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Stock Option Plans and Other Incentive Plans

The Company has no other incentive plans other than its stock option plan (the “Stock Option Plan”) plan approved by the shareholders at the Company’s annual general meeting held on December 17, 2021. Under the Company’s 2021 Incentive Stock Option Plan, the Company is authorized to grant options of up to 10%

of its issued and outstanding common shares to officers, directors, employees and consultants of the Company or its affiliated entities. The options can be granted for a maximum term of 10 years.

Terms of the Stock Option Plan

Management of the Company believes that incentive stock options serve an important function in furnishing directors, officers, employees and consultants (collectively the "**Eligible Parties**") of the Company an opportunity to invest in the Company in a simple and effective manner and better aligning the interests of the Eligible Parties with those of the Company and its shareholders through ownership of shares in the Company.

The Stock Option Plan has been prepared by the Company in accordance with the policies of the Exchange and is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Stock Option Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Stock Option Plan. The Stock Option Plan will be administered by the Board, or a committee of three directors, if so appointed by the Board (the "**Stock Option Plan Committee**"). Subject to the provisions of the Stock Option Plan, the Stock Option Plan Committee in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Stock Option Plan Committee will comply with all Exchange and other regulatory requirements in granting options and otherwise administering the Stock Option Plan.

A summary of some of the additional provisions of the Stock Option Plan follows:

1. The aggregate maximum number of Common Shares available for issuance from treasury under the Proposed Stock Option Plan at any given time is 10% of the outstanding Common Shares as at the date of grant of an Option under the Proposed Stock Option Plan.
2. No Options shall be granted to any participant if such grant could result, at any time, in:
 - a) the issuance of any one individual, within a one-year period of a number of Common Shares exceeding 5% of the issued and outstanding Common Shares;
 - b) the issuance to any one consultant, within any 12-month period of a number of Common Shares exceeding 2% of the issued and outstanding Common Shares; and
 - c) the issuance to employees conducting investor relations activities, within any 12-month period, of an aggregate number of Common Shares exceeding 2% of the issued and outstanding Common Shares; unless permitted otherwise by any applicable stock exchange.
3. Disinterested Shareholder Approval is required for the following:
 - a) any individual Option grant that would result in the grant to Insiders (as a group), within a 12-month period of an aggregate number of Options exceeding 10% of the issued Common Shares, calculated on the date an Option is granted to any Insider; and
 - b) any individual Option grant that would result in the number of Common Shares issued to any individual in any 12-month period under the Proposed Stock Option Plan exceeding 5% of the issued Common Shares, less the aggregate number of shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation.
4. The term of an Option shall not exceed ten (10) years from the date of grant of the Option.

5. An Option shall vest and may be exercised in whole or in part at any time during the term of such Option after the date of the grant as determined by the Board, subject to extension where the expiry date falls within a blackout period.

Pursuant to the policies of the Exchange, the shares underlying any options granted will be restricted from trading for a period of four months from the date of grant of the option.

Employment, Consulting and Management Agreements

a) No formal agreements.

Oversight and Description of Director and NEO Compensation

The Company's executive compensation program during the most recently completed financial year was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers. The Board of Directors has not established a compensation committee.

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer, will be cash consulting fees and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Cash Consulting Fees

The Company's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company. In particular the Chief Executive Officer's compensation will be determined by time spent on: (i) the Company's day to day operations; (ii) reviewing potential transactions and negotiating them on behalf of the Company; and (iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in reviewing the Company's financial statements.

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

Due to the Company being an early stage issuer and having limited financial resources, compensation is not tied to any performance criteria or goals. The Company is unaware of any significant events that have significantly affected compensation of its management team and directors. The Company did not make any changes to its compensation policies during or after the fiscal year ended September, 30, 2023.

Pension

The Company does not provide any pension benefits for directors or executive officers.