

NEWPATH RESOURCES INC.

(the “**Company**”)

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION

For the Financial Year Ended April 30, 2024

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Statement of Executive Compensation, 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) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and
- (d) each individual who would be an 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.

During the Company’s fiscal year ended April 30, 2024, the following individuals were the Named Executive Officers of the Company:

- Alex McAulay, CEO and director;
- Philip Ellard, CFO; and
- Douglas Turnbull, COO

Director and Named Executive Officer Compensation, Excluding Compensation Securities

Table of Compensation Excluding Compensation Securities

The following table provides a summary of compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company to each Named Executive Officer and director of the Company during the fiscal years ended April 30, 2024 and 2023, other than stock options and other compensation securities.

Name and position	Financial Year	Salary, consulting fee, retainer or commission ⁽¹⁾	Bonus	Committee or meeting fees	Value of perquisites ⁽²⁾	Value of all other compensation	Total compensation
Alex McAulay <i>Chief Executive Officer, Corporate Secretary and director</i>	2024	\$62,400 ⁽³⁾	Nil	Nil	Nil	Nil	\$62,400
	2023	\$57,200 ⁽⁴⁾	\$50,000	Nil	Nil	Nil	\$107,200
Philip Ellard <i>Chief Financial Officer</i>	2024	\$18,720	Nil	Nil	Nil	Nil	\$18,720
	2023	\$18,720	Nil	Nil	Nil	Nil	\$18,720
Douglas Turnbull ⁽⁵⁾ <i>Chief Operating Officer</i>	2024	\$197,682	Nil	Nil	Nil	Nil	\$197,682
	2023	\$76,377 ⁽⁶⁾	Nil	Nil	Nil	Nil	\$76,377
Darren Collins <i>Director</i>	2024	\$36,000	Nil	Nil	Nil	Nil	\$36,000
	2023	\$36,000	Nil	Nil	Nil	Nil	\$36,000
Gerhard Merkel <i>Director</i>	2024	\$12,000	Nil	Nil	Nil	Nil	\$12,000
	2023	\$18,000	Nil	Nil	Nil	Nil	\$18,000
Christopher Reynolds⁽⁷⁾ <i>Former Director</i>	2024	\$3,000	Nil	Nil	Nil	Nil	\$3,000
	2023	\$42,000	Nil	Nil	Nil	Nil	\$42,000

Notes:

- (1) The figures in the table above reflect compensation received as well as compensation accrued but not yet received.
- (2) “Perquisites” include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director’s total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director’s salary for the financial year if the NEO or director’s total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director’s total salary for the financial year is \$500,000 or greater.

- (3) The Company incurred \$138,106 in professional fees with Treewalk Consulting Inc., a company controlled by Mr. McAulay, for services rendered under the Treewalk Agreement during the year ended April 30, 2024. \$184,615 was owed to Treewalk Consulting Inc. as of April 30, 2024. The Company incurred \$62,400 in payroll expenses with Mr. McAulay personally under his employment agreement as Chief Executive Officer for the financial year ended April 30, 2024. \$46,113 was owed to Mr. McAulay personally as Chief Executive Officer as of April 30, 2024.
- (4) The Company incurred \$115,444 in professional fees with Treewalk Consulting Inc., a company controlled by Mr. McAulay, for services rendered under the Treewalk Agreement during the year ended April 30, 2023. \$88,281 was owed to Treewalk Consulting Inc. as of April 30, 2023. Mr. McAulay was awarded \$107,200 personally under his employment agreement as Chief Executive Officer for the financial year ended April 30, 2023.
- (5) The Company incurred \$144,600 in management fees and payroll expenses with Mr. Turnbull personally as Chief Operating Officer during the year ended April 30, 2024. The Company incurred \$53,082 in geological consulting expenses with Lakehead Geological Services Inc., a company controlled by Mr. Turnbull, for services provided for the financial year ended April 30, 2024. \$42,458 was owed to Lakehead Geological Services Inc. as of April 30, 2024.
- (6) The Company incurred \$37,400 in payroll expenses with Mr. Turnbull personally as Chief Operating Officer. The Company incurred \$38,977 in geological consulting expenses with Lakehead Geological Services Inc., a company controlled by Mr. Turnbull, for services provided for the financial year ended April 30, 2023. \$23,094 was owed to Lakehead Geological Services Inc. as of April 30, 2023. Prior to Mr. Turnbull's appointment as Chief Operating Officer, Lakehead Geological Services Inc. also received \$110,490.
- (7) Mr. Reynolds resigned as a director of the Company on August 23, 2023.

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any director and/or NEO of the Company or any subsidiary thereof in the year ended April 30, 2024 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

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended April 30, 2024.

Option Plans and Other Incentive Plans

On February 14, 2023, the Board of Directors approved the Company's 2023 Omnibus Equity Incentive Compensation Plan (the "**Plan**"). The purpose of the Plan is to provide an incentive to directors, officers, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The Plan is 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, grant to eligible Participants (as defined in the Plan), non-transferable awards (the "**Awards**"). Such Awards include options ("**Options**"), RSUs, SARs, DSUs, and PSUs.

The number of Common Shares reserved for issuance pursuant to Options granted under the Plan will not, in the aggregate, exceed 10% of the then issued and outstanding Common Shares on a rolling basis. In addition, the maximum number of Common Shares issuable pursuant to SARs, RSUs, DSUs and PSUs issued under the Plan shall not exceed 1,581,775, in the aggregate.

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, unless disinterested shareholder approval as required by the policies of the CSE is obtained, or 2% in the case of a grant of Awards to any consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the CSE). Further, unless disinterested shareholder approval as required by the policies of the CSE is obtained: (i) the maximum number of Common Shares for which Awards may be issued to insiders of the Company (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 of the Company (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares.

On a Change of Control (as defined in the Plan) of the Company, the Board shall have discretion as to the treatment of Awards, including whether to (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit the conditional exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised prior to the successful completion of such Change of Control. 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 (as defined in the Plan), if the Participant is an employee, officer or a director and their employment, or officer or director position is terminated or they resign for Good Reason (as defined in the Plan) 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 CSE is either obtained or not required.

Employment, Consulting and Management Agreements

Other than as disclosed below, the Company did not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors during the most recently completed financial year.

The Company and its subsidiaries have entered into, or had entered into, the following consulting or employment agreements with the NEOs:

Alex McAulay Agreement

Alex McAulay provides his services to the Company pursuant to an employment agreement (the "**McAulay Agreement**"), pursuant to which he performs duties normally performed by a chief executive officer. Mr. McAulay is required to report to the Board of Directors and to keep the Board informed of all relevant matters concerning his services and must act faithfully, honestly and diligently and use his best efforts to promote the best interests of the Company and utilize maximum professional skill and care to ensure his services are rendered to the satisfaction of the Company. The Company is required to reimburse Mr. McAulay for documented expenses reasonably incurred by him as well as an annual base salary of \$60,000 per year. Mr. McAulay is also eligible for a cash bonus, the awarding of which is to be assessed by the Board of Directors in its sole discretion against an annual operational plan. Mr. McAulay is subject to confidentiality obligations under the McAulay Agreement, and the McAulay Agreement is terminable by the parties, by either party on 14 days' advance written notice, or by the Company without notice in the event of a breach of the McAulay Agreement by Mr. McAulay, neglect of his duties, dishonest or reputationally damaging conduct; moral turpitude, or if Mr. McAulay commits certain acts of bankruptcy. The Company may terminate the McAulay Agreement without cause, and without further obligation, by providing Mr. McAulay with two (2) weeks' notice or salary in lieu of notice, plus one (1) additional week of notice or salary in lieu of notice for each complete and consecutive year of employment with the Company, up to a maximum of twelve (12) weeks' notice or salary in lieu of notice in total.

Philip Ellard Agreement

Philip Ellard provides his services to the Company pursuant to an employment agreement (the "**Ellard Agreement**"), pursuant to which he performs duties normally performed by a chief financial officer. Mr. Ellard is required to report to the Board of Directors and to keep the Board informed of all relevant matters concerning his services and must act faithfully, honestly and diligently and use his best efforts to promote the best interests of the Company and utilize maximum professional skill and care to ensure his services are rendered to the satisfaction of the Company. The Company is required to reimburse Mr. Ellard for documented expenses reasonably incurred by him as well as an annual base salary of \$18,000 per year. Mr. Ellard is also eligible for a cash bonus, the awarding of which is to be assessed by the Board of Directors in its sole discretion against an annual operational plan. Mr. Ellard is subject to confidentiality obligations under the Ellard Agreement, and the Ellard Agreement is terminable by the parties, by either party on 14 days' advance written notice, or by the Company without notice in the event of a breach of the Ellard Agreement by Mr. Ellard, neglect of his duties, dishonest or reputationally damaging conduct; moral turpitude, or if Mr. Ellard commits certain acts of bankruptcy. The Company may terminate the Ellard Agreement without cause, and without further obligation, by providing Mr. Ellard with two (2) weeks' notice or salary in lieu of notice, plus one (1) additional week of notice or salary in lieu of notice for each complete and consecutive year of employment with the Company, up to a maximum of twelve (12) weeks' notice or salary in lieu of notice in total.

Consulting Agreement with Treewalk Consulting Inc.

The Company entered into a consulting agreement dated for reference September 29, 2020, with Treewalk Consulting Inc. (formerly, ACM Management Inc.) ("**Treewalk**"), pursuant to which Treewalk provides accounting, financial, administrative, and corporate secretary services to the Company (the "**Treewalk Agreement**"). Treewalk is a private British Columbia company beneficially owned by Alex McAulay. During the financial year ended April 30, 2024, the Company incurred \$138,106 with Treewalk for its services.

Pursuant to the terms of the Treewalk Agreement, the Company or Treewalk may terminate the agreement immediately for failure of the other party to meet its obligations thereunder. Should the Company terminate the Treewalk Agreement without cause before the services have been fully provided, the Company will compensate Treewalk in accordance with the terms of the Treewalk Agreement for the services provided and expenses incurred through the effective date of termination.

Oversight and Description of Director and NEO Compensation

Compensation payable to directors, officers and employees of the Company is currently determined by the Board of Directors. The Board relies on the experience of its members to ensure that total compensation paid to the Company's management is fair and reasonable and is both in-line with the Company's financial resources and competitive with companies at a similar stage of development.

The Company does not have a compensation committee. All tasks related to developing and monitoring the Company's approach to the compensation of executive officers of the Company are performed by members of the Board. The Board meets to discuss and determine management compensation as required, without reference to formal objectives, criteria, or analysis.

During the financial year ended April 30, 2024, cash compensation in the aggregate amount of \$51,000 was awarded to certain directors of the Company for their services as a director. The compensation of directors is reviewed by the Board and the independent members of the Board, together with recommendations by the CEO and CFO of the Company, approve the annual compensation levels, if any, for the directors. Currently, the Company has no standard arrangement pursuant to which directors are compensated for their services in their capacity as directors.

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. The Board intends to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

Compensation Philosophy

The Company has taken a forward-looking approach for the compensation of its directors, officers, employees, and consultants to ensure that the Company can continue to build and retain a successful and motivated discovery and development team and, importantly, align the Company's future success with that of the Company's shareholders.

The Company's compensation strategy is to attract and retain talent and experience with focused leadership in the operations, financing and asset management of the Company with the objective of maximizing the value of the Company. The Company compensates its NEOs based on their skill and experience levels and the existing stage of development of the Company. NEOs are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

Under the Company's compensation policies and practices, NEOs and directors are not prevented 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.

The Company has not currently identified specific performance goals or benchmarks as such relating to executive compensation. The stage of the Company's development and the size of its specialized management team allow frequent communication and constant management decisions with the interest of developing shareholder value as a primary goal.

The Board believes that the compensation policies and practices of the Company do not encourage executive officers to take unnecessary or excessive risk; however, the Board intends to review from time to time and, at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time.

Compensation Components

The Board has implemented three levels of compensation to align the interests of the NEOs with those of the Company's shareholders. First, NEOs may be paid a monthly salary or consulting fee. Second, the Board may award NEOs long-term incentives in the form of stock options. Finally, and only in special circumstances, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value. The Company does not provide medical, dental, pension or other benefits to NEOs. To date, no specific formulas have been developed to assign a specific weighting to each of these components.

Base Salary

The base compensation of the NEOs is reviewed and set annually by the Board. The salary review for each NEO is based on an assessment of factors, such as:

- current competitive market conditions;
- level of responsibility and importance of the position within the Company; and
- particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual.

Using this information, together with budgetary guidelines and other internally generated planning and forecasting tools, the Board intends to perform an annual assessment of all executive officer compensation levels and then set the base salaries or consulting fees of the NEOs, in accordance with such assessment.

Annual Incentive Plan

The Company has no formal annual incentive plan.

Long-term Compensation

Long-term compensation is paid to NEOs in the form of grants of Awards pursuant to the Plan.

Pension Plan Benefits

The Company has no pension, defined benefit or defined contribution plans in place.