

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

**General**

For the purpose of this Statement of Executive Compensation:

“**Company**” means Cruz Battery Metals Corp. (formerly Cruz Cobalt Corp.);

“**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 (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

“**NEO**” or “**named executive officer**” means:

- (a) each individual who served as chief executive officer (“**CEO**”) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (“**CFO**”) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than 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 an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor 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; and

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

**Director and Named Executive Officer Compensation, excluding Compensation Securities**

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each 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 for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Year Ended July 31st	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
James Nelson <sup>(1)</sup> President, CEO, Secretary and Director	2021	66,300 <sup>(2)</sup>	Nil	Nil	Nil	Nil	66,300
	2020	65,300 <sup>(3)</sup>	Nil	Nil	Nil	Nil	65,300
Cindy Cai <sup>(4)</sup> CFO	2021	73,800 <sup>(5)</sup>	Nil	Nil	Nil	Nil	73,800
	2020	73,300 <sup>(6)</sup>	Nil	Nil	Nil	Nil	73,300
Gregory Thomson <sup>(7)</sup> Director	2021	2,500 <sup>(8)</sup>	Nil	Nil	Nil	Nil	2,500
	2020	2,500 <sup>(8)</sup>	Nil	Nil	Nil	Nil	2,500
Seth Kay <sup>(9)</sup> Director	2021	65,300 <sup>(10)</sup>	Nil	Nil	Nil	Nil	65,300
	2020	65,300 <sup>(11)</sup>	Nil	Nil	Nil	Nil	65,300

- (1) James Nelson was appointed as President and Secretary on April 24, 2015 and a director on May 17, 2010.
- (2) \$52,800 of these fees were paid to BLB Consulting Inc., a company controlled by Mr. Nelson, and \$11,000 were paid to Mr. Nelson, as compensation for his services. \$2,500 of these fees were paid to Mr. Nelson as a directors' fee.
- (3) \$52,800 of these fees were paid to BLB Consulting Inc., a company controlled by Mr. Nelson, and \$10,000 were paid to Mr. Nelson, as compensation for his services. \$2,500 of these fees were paid to Mr. Nelson as a directors' fee.
- (4) Cindy Cai was appointed as Chief Financial Officer on September 13, 2010.
- (5) \$19,800 of these fees were paid to Ms. Cai and \$54,000 of these fees were paid to Sea Star Consulting Inc., a company controlled by Ms. Cai, for accounting services provided.
- (6) \$19,300 of these fees were paid to Ms. Cai and \$54,000 of these fees were paid to Sea Star Consulting Inc., a company controlled by Ms. Cai, for accounting services provided.
- (7) Gregory Thomson was appointed a director of the Company on July 8, 2013.
- (8) These fees were paid to Mr. Thomson as a director's fee.
- (9) Seth Kay was appointed a director of the Company on April 24, 2015.
- (10) \$62,800 of these fees were paid to Mr. Kay as compensation for his services. \$2,500 of these fees were paid to Mr. Kay as a directors' fee.
- (11) \$62,800 of these fees were paid to Mr. Kay as compensation for his services. \$2,500 of these fees were paid to Mr. Kay as a directors' fee.

### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the year ended July 31, 2021 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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
James Nelson <sup>(1)</sup> President, CEO, Secretary and Director	Stock Options	600,000 / *	January 14, 2021	0.075	0.075	0.095	January 14, 2022
Cindy Cai <sup>(2)</sup> CFO	Stock Options	1,000,000 / 1.1%	January 14, 2021	0.075	0.075	0.095	January 14, 2022

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Gregory Thomson <sup>(3)</sup> Director	Stock Options	500,000 / *	January 14, 2021	0.075	0.075	0.095	January 14, 2022
Seth Kay <sup>(4)</sup> Director	Stock Options	600,000 / *	January 14, 2021	0.075	0.075	0.095	January 14, 2022

\* Represents less than 1% of the issued and outstanding common shares.

- (1) As of July 31, 2021, James Nelson held 600,000 stock options which are exercisable at \$0.075 per share until expiry on January 14, 2022.
- (2) As of July 31, 2021, Cindy Cai held 1,000,000 stock options which are exercisable at \$0.075 per share until expiry on January 14, 2022.
- (3) As of July 31, 2021, Gregory Thomson held 500,000 stock options which are exercisable at \$0.075 per share until expiry on January 14, 2022.
- (4) As of July 31, 2021, Seth Kay held 600,000 stock options which are exercisable at \$0.075 per share until expiry on January 14, 2022.

#### Exercise of Compensation Securities by Directors and NEOs

The following table sets out all compensation securities exercised by directors and NEOs in the year ended July 31, 2021:

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 the Date of Exercise (\$)	Total Value on Exercise Date (\$)
Cindy Cai CFO	Stock Options	1,250,000	0.07	January 19, 2021	0.10	0.03	37,500

#### Stock Option Plans and Other Incentive Plans

The Company has in effect a 10% rolling stock option plan (the “10% Rolling Option Plan”) in order to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company’s shareholders. As at the date hereof, there are 7,000,000 options outstanding under the 10% Rolling Option Plan.

A copy of the Company’s incentive stock option plan is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Employment, Consulting and Management Agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company’s current NEOs or directors.

## **Oversight and Description of Director and NEO Compensation**

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Company's board of directors (the "Board") has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

In making compensation decisions, the Board strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Base salaries or fees and discretionary cash bonuses primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The annual salary or fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time. The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in salary or fees are to be evaluated on an individual basis and are performance and market-based. The amount and award of cash bonuses to key executives and senior management is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant.

## **Pension Plan Benefits**

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.