



**TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES<sup>(1)</sup>**

<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)<sup>(7)</sup></b>	<b>Total compensation (\$)</b>
Elia Crespo, Corporate Secretary and Director	2018	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>
	2017	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>
James O'Neil, Former Chief Financial Officer	2018	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>
	2017	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>

**Stock Options and Other Compensation Securities**

The Corporation has adopted a "rolling" stock option plan, as amended (the "**Stock Option Plan**") for senior officers, directors, employees and consultants of the Corporation. The Stock Option Plan was first approved by the shareholders of the Corporation on August 11, 2011.

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Corporation during the most recently completed financial year of the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

COMPENSATION SECURITIES <sup>(4)</sup>							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class <sup>(2)</sup>	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
Arthur Thomas Griffis, President and Director	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>
Elia Crespo, Corporate Secretary and Director	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>
James O'Neil, Former Chief Financial Officer	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>	<i>nil</i>

None of the Named Executive Officers or directors of the Corporation exercised any compensation securities during the most recently completed financial year of the Corporation.

### Stock Option Plan and other Incentive Plans

The Corporation currently has no long-term incentive plans, other than stock options granted from time to time by the board of directors of the Corporation (the "**Board**") under the provisions of the Stock Option Plan. The purpose of the Stock Option Plan is to, among other things, encourage common share ownership in the Corporation by directors, officers, employees and consultants of the Corporation and its affiliates and other designated persons. Stock options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Corporation and its subsidiaries and other designated persons as designated from time to time by the Board. The number of Common Shares which may be reserved for issue under the Stock Option Plan is limited to 24,172,436 Common Shares.

Any Common Shares subject to a stock option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Stock Option Plan. The option price of any Common Shares cannot be less than the market price of the Common Shares at the time of grant. Stock options granted under the Stock Option Plan may be exercised during a period not exceeding ten years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Corporation or any of its subsidiaries or ceasing to have a designated relationship with the Corporation, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The stock options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the Corporation's capitalization. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Corporation in respect of options granted under the Stock Option Plan.

The Corporation has no equity compensation plans other than the Stock Option Plan.

### **Employment, Consulting and Management Agreements**

The Corporation does not have any employment, consulting and/or management agreements in place.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### *Compensation of Directors*

The Corporation has established a compensation committee (the "**Compensation Committee**") of the Board and it consists of Arthur Thomas Griffis and Elia Crespo. The Compensation Committee, on behalf of the Board, monitors compensation of the executive officers of the Corporation. The Compensation Committee is responsible for the development and supervision of the Corporation's approach to compensation for directors, officers and senior management as well as bonuses and any increases in compensation to employees or staff that would have a material impact on the Corporation's expenses.

The Compensation Committee, at the recommendation of the management of the Corporation, determines the compensation payable to the directors of the Corporation and reviews such compensation periodically throughout the year. For their role as directors of the Corporation, each director of the Corporation receives fees in the amount of \$8,000 a year. Each director of the Corporation may, from time to time, be awarded stock options under the provisions of the Stock Option Plan. There are no other arrangements under which the directors of the Corporation were compensated by the Corporation or its subsidiaries during the two most recently completed financial years for their services in their capacity as directors of the Corporation.

#### *Compensation of Named Executive Officers*

##### *Principles of Executive Compensation*

The Corporation believes in linking an individual's compensation to his or her performance and

contribution as well as to the performance of the Corporation as a whole. The primary components of the Corporation's executive compensation are base salary and stock options. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Corporation's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Corporation and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Corporation's long term value; and
5. connect, if possible, the Corporation's employees into principles 1 through 4 above.

Management has direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Corporation. The Chief Executive Officer makes recommendations to the Board regarding the amount and type of compensation awards for other members of executive management. The Chief Executive Officer does not engage in discussions with the Board regarding his own compensation.

The Board, at the recommendation of the Compensation Committee, approves, or recommends for approval, all compensation to be awarded to the Named Executive Officers within the constraints of the agreements described under the heading "*Employment, Consulting and Management Agreements*". The Compensation Committee also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Stock Option Plan.

The Board may direct the Compensation Committee and management to gather information on its behalf and provide initial analysis and commentary. The Board reviews this material along with other information received from any external advisors which may be retained in its deliberations before considering or making decisions. The Board has full discretion to adopt or alter management recommendations.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. No specific weightings are assigned to each factor, but rather, a subjective determination is made based on a general assessment of the performance of the individual relative to such factors. Comparative data for the Corporation's peer group is also accumulated from a number of external sources including independent consultants. The Corporation's policy for determining salary for executive officers of the Corporation is consistent with the administration of salaries for all other employees.

### Annual Incentives

The Named Executive Officers have an opportunity to earn annual incentive compensation payable as a cash bonus, however the Corporation is not currently awarding any such annual incentives. The annual incentive compensation is intended to link pay to annual performance that will drive shareholder value so the Corporation may, in its discretion, award such incentives in the future in order to motivate executives to achieve short-term corporate goals. The Compensation Committee approves annual incentives.

The success of the Named Executive Officers in achieving their individual objectives and their contribution to the Corporation in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective position and contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Corporation that arise on a day to day basis. Annual incentive compensation is tied to corporate and individual performance. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

### Long Term Compensation

The Corporation currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

### **Pension Disclosure**

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Corporation.

### **Termination and Change of Control Benefits**

The Corporation has not provided compensation, monetary or otherwise, during the two preceding fiscal years, to any person who now acts or has previously acted as a Named Executive Officer or director of the Corporation in connection with or related to the retirement, termination or resignation of such person. The Corporation has not provided any compensation to such persons as a result of a change of control of the Corporation, its subsidiaries or affiliates. Except as set

forth under the heading "*Employment, Consulting and Management Agreements*", the Corporation is not party to any compensation plan or arrangement with Named Executive Officers or directors of the Corporation resulting from the resignation, retirement or the termination of employment of such person.