



1CM Inc.

Form 51-102F6V

**Statement of Executive Compensation – Venture Issuers
For the Financial Years Ended August 31, 2023 and 2022**

The following information, dated as of July 23, 2024, is presented by the management of 1CM Inc. (the “**Company**”) in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers of National Instrument 51-102 – Continuous Disclosure Obligations* (“**Form 51-102F6V**”).

For the purposes of this statement of executive compensation for the years ended August 31, 2023 and 2022, “**CEO**” means the Company’s chief executive officer and “**CFO**” means the Company’s chief financial officer.

Compensation Discussion and Analysis

The following table sets forth information concerning the compensation paid to each person who acted as CEO and CFO, and the next most highly compensated executive officer (or next most highly compensated individual acting in a similar capacity), other than the CEO and CFO, whose compensation was more than \$150,000 during the financial years ended August 31, 2023, 2022 and 2021 (each a “**Named Executive Officer**” or “**NEO**” and collectively the “**Named Executive Officers**” or **NEOs**”), and compensation paid to each director during the financial year ended August 31, 2023, 2022 and 2021:

Table of compensation excluding compensation securities							
Name and principal position	Year	Salary, Consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisite (\$)	Value of all other compensation (\$)	Total compensation (\$)
Tanvi Bhandari ⁽¹⁾ CEO and Director	2023	120,000	Nil	Nil	Nil	354,384 ⁽¹⁰⁾	474,384
	2022	17,500	Nil	Nil	Nil	Nil	17,500
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Harshil Chovatiya ⁽²⁾ CFO and COO	2023	85,500	Nil	Nil	Nil	410,734 ⁽⁸⁾	496,234
	2022	Nil	Nil	Nil	Nil	231,230 ⁽⁸⁾	231,230
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Lucas Leone ⁽³⁾ Director	2023	36,000	Nil	6,000 ⁽⁹⁾	Nil	532,873 ⁽⁸⁾	574,873
	2022	15,000	Nil	2,500 ⁽⁹⁾	Nil	603,037 ⁽⁸⁾	620,537
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Rupalee Mehta ⁽³⁾ Director	2023	36,000	Nil	6,000 ⁽⁹⁾	Nil	Nil	42,000
	2022	15,000	Nil	2,500 ⁽⁹⁾	Nil	Nil	17,500
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Linda Marabeti Romano ⁽⁴⁾ Former CFO	2023	48,650	Nil	Nil	Nil	Nil	48,650
	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Manish Z	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	57,097	Nil	Nil	Nil	Nil	57,097



Kshantriya ⁽⁵⁾ Former CFO	2021	Nil	Nil Nil	Nil	Nil Nil	Nil Nil	Nil
Martin Doane ⁽¹⁾ Former CEO and Former Director	2023 2022 2021	Nil 141,461 203,750	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil 824,463 ⁽⁸⁾	Nil Nil 1,028,213
Jayne Beckwith ⁽⁶⁾ Former CFO	2023 2022 2021	Nil 75,000 117,000	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil 329,785 ⁽⁸⁾	Nil 75,000 446,785
Luvlina Sanghera ⁽⁷⁾ Former Corporate Secretary	2023 2022 2021	Nil 75,000 117,000	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil 329,785 ⁽⁸⁾	Nil 75,000 446,785
David Jarvis ⁽³⁾ Prior Director	2023 2022 2021	Nil 33,000 54,000	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil 181,382 ⁽⁸⁾	Nil 33,000 235,382
Matthew Brace ⁽³⁾ Prior Director	2023 2022 2021	Nil Nil 28,891	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil 49,468 ⁽⁸⁾	Nil Nil 78,359

Notes:

- (1) Martin Doane was appointed CEO and on the Board on June 5, 2018, and was interim CFO from February 22, 2019 to April 26, 2019. He resigned from these roles on March 7, 2022. Tanvi Bhandari was appointed as CEO and Director on March 7, 2022. Martin and Tanvi were compensated only for their CEO positions and did not receive any compensation for holding director positions.
- (2) Harshil Chovatiya was appointed as COO and Corporate Secretary on March 7, 2022 and as CFO on February 24, 2023.
- (3) David Jarvis and Matthew Brace were appointed to the Board on November 7, 2018, and both resigned on March 7, 2022. Lucas Leone and Rupalee Mehta were appointed to the Board on March 7, 2022.
- (4) Linda Romano was appointed as CFO on August 31, 2022 and resigned from the this role on February 24, 2023.
- (5) Manish Z Kshantriya was appointed as CFO on March 7, 2022 and resigned from this role on August 31, 2022.
- (6) Jayne Beckwith was appointed interim CFO on April 26, 2019 and resigned from this role on March 7, 2022.
- (7) Luvlina Sanghera was appointed as Corporate Secretary on April 25, 2019 and resigned from the this role on March 7, 2022.
- (8) Relates to the vesting of the fair value of stock options granted based on the Black-Scholes option pricing model during the year.
- (9) Each independent director has been reimbursed \$3,000.00 per month (CAD) for their time and experience in their role as directors of the Company. Audit Committee members receive an additional \$500.00 (CAD) for their additional duties.
- (10) Tirthankar Limited, an entity that was acquired by the Company on August 31, 2022, has a services agreement (the “Services Agreement”) with 1000008999 Ontario Inc. (the “Service Provider”), controlled by Tanvi Bhandari, the CEO of both the Company and Tirthankar Limited. Under the Services Agreement, the Service Provider is entitled to a base monthly fee of 1.0% of gross sales per annum and an additional bonus of 0.5% of gross sales (the “Additional Bonus”) at the discretion of the Company’s board of directors. During the year ended August 31, 2023, fees paid under the Services Agreement amounted to \$354,384, representing 1% of total sales. The Service Provider did not receive or claim any Additional Bonus for the year ended August 31, 2023. The Services Agreement is non-exclusive, allowing the Service Provider to offer services to other entities, provided it does not breach the agreement. The initial term of the Services Agreement is ten years, with provisions for automatic renewal for two subsequent five-year terms, contingent on meeting annual budget quotas for revenue and EBITDA set by the board of directors for at least four of the five years of the initial term. These targets have not yet been set and will be determined as the renewal period approaches. The Service Provider and the Company may also mutually agree on renewal terms.

External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly.

Exercise of Compensation Securities

During the most recently completed financial years, no NEO or director of the Company exercised any compensation securities.



Stock Option Plan

The Company's stock option plan (the "Stock Option Plan") was approved by Shareholders on May 17, 2019. The Stock Option Plan provides for the acquisition of Common Shares for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key officers, directors, employees (including prospective employees) and consultants and to secure for the Company and its Shareholders the benefits inherent in the ownership of Common Shares by key officers, directors, employees and consultants. The purpose of the Stock Option Plan is to secure for the Company and its Shareholders the benefits of incentive inherent in share ownership by the directors, officers, key employees and, subject to the terms and conditions herein, consultants of the Company and its affiliates who, in the judgment of the Board, will be largely responsible for its future growth and success.

Summary of the Stock Option Plan

The Stock Option Plan 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 Common Shares of the Company at any time, less any Common Shares required to be reserved with respect to options granted by the Company prior to the implementation of the Stock Option Plan. The Share Option Plan may be administered by the Board.

A summary of some of the additional provisions of the Stock Option Plan are as follows: (i) Options granted to insiders of the Company as a total in any twelve-month period shall not exceed 10% of the issued and outstanding Common Shares; (ii) Options granted to an executive of an employee shall vest and become fully exercisable as follows or are determined by the Board when the Option is granted: (a) one half of the Options on the date of the grant; and (b) the final one half of the Options on the date which is one year from the date said Options are granted; (iii) all Options granted to Consultants shall vest and become fully exercisable as follows or as determined by the Board when the Option is granted: (a) one third of the Options on the date of the grant; (b) one third of the Options on the date which is one year from the date said Options are granted; and (c) the final one third of the Options on the date which is two years from the date said Options are granted; (iv) Optionees performing Investor Relations Activities shall vest and become fully exercisable as follows or as determined by the Board: (a) one quarter of the Options on the date which is three months from the date said Options are granted; (b) one quarter of the Options on the date which is six months from the date said Options are granted; (c) one quarter of the Options on the date which is nine months from the date said Options are granted; and (d) the final one quarter of the Options on the date which is 12 months from the date said Options are granted; (v) Options granted to any one person as a total in any twelvemonth period shall not exceed 5% of the issued and outstanding Common Shares of the Company; (vi) Options granted to any one consultant to the Company as a total in any twelve-month period shall not exceed 2% of the issued and outstanding Common Shares of the Company; (vii) Options granted to all employees, consultants and their associates engaged in investor relations activities for the Company in aggregate in any twelve-month period shall not exceed 2% of the issued and outstanding Common Shares of the Company; (viii) Options granted shall be non-assignable and not transferable and shall not have a term in excess of ten years; (vi) the exercise price of Options granted shall not be less than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options; (vii) all Options granted shall be evidenced by written option agreements; and (viii) any amendment to reduce the exercise price of Options granted to insiders of the Company shall be subject to approval of the disinterested Shareholders, the majority vote of the Shareholders other than the insiders of the Company.

The Stock Option Plan must receive Shareholder approval at least every three (3) years at the Company's annual general meeting. The Stock Option Plan was last approved at the annual general meeting on September 6, 2022.

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 and short term incentives such as discretionary bonuses.

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 discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The management 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.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The Company relies on Board discussion, without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in management fees are to be evaluated on an individual basis and are performance and market-based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for the Named Executive Officers and directors as of August 31, 2023:

Compensation Securities							
Name and position	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾⁽²⁾	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
Lucas Leone, director ⁽²⁾	Stock options	1,000,000	March 21, 2022	0.82	0.82	1.91	March 21, 2025
Lucas Leone, director ⁽²⁾	Stock options	1,000,000	March 21, 2022	0.82	0.82	1.91	March 21, 2026
Harshil Chovatiya, CFO ⁽³⁾	Stock options	1,000,000	June 3, 2022	0.95	0.99	1.91	June 3, 2025

Notes:

- (1) As at August 31, 2023, 3,000,000 stock options were outstanding (August 31, 2022 – 4,550,000)
- (2) Lucas Leone was appointed on the board of directors on March 7, 2022. Of the 2,000,000 stock options granted, 1,000,000 options vested on March 21, 2023 and the remaining 1,000,000 stock options vest on March 21, 2024.
- (3) Harshil Chovatiya was appointed as COO and Corporate Secretary on March 7, 2022 and as the CFO on February 24, 2023. Of the 1,000,000 stock options granted, 500,000 vested on June 3, 2023 and the remaining 500,000 stock options vest on June 3, 2024.

Termination and Change of Control Benefits

The Company has no contracts that have any termination or change of control benefits. In the event that someone was relieved of their responsibility they would only be eligible for their common law entitlements.



Director Compensation

The directors of the Company are eligible to receive options to purchase Common Shares pursuant to the terms of the Stock Option Plan.

The table above under the heading “*Outstanding Share-Based Awards and Option-Based Awards*” sets out the awards outstanding for each of the directors of the Company as of August 31, 2023. All of the awards reflected in the above-noted table were granted in the year ended August 31, 2022, with no award being granted in the year ended August 31, 2023.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Under the terms of the Stock Option Plan, and as at the date of this executive compensation, the Company has 11,773,693 stock options available in the option pool, with 5,338,499 options remaining. As at August 31, 2023, the Company has 11,440,360 stock options available in the option pool, with 8,440,360 options remaining.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, the proposed nominees for election as director, the executive officers of the Company, or any of their respective associates or affiliates is or has been indebted to the Company or any of its subsidiaries in respect of loans, advances or guarantees of indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the informed persons (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, has had any material interest, direct or indirect, in any transaction of the Company since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

PENSION PLAN BENEFITS

The Company does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.