

**LORDS & COMPANY WORLDWIDE HOLDINGS INC.**

**FORM 51-102F6V  
STATEMENT OF EXECUTIVE COMPENSATION  
(FOR THE YEAR ENDED NOVEMBER 30, 2021)**

**Named Executive Officers**

During the financial year ended November 30, 2021, the Company had two Named Executive Officer (“NEOs”) Chris Farnworth, Chief Executive Officer (“CEO”) and Geoff Balderson, Chief Financial Officer (“CFO”).

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

**Director and Named Executive Officer Compensation**

The following table (presented in accordance with National Instrument Form 51-102F6V, is a summary compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company’s two most recently completed financial years ended November 30, 2021, and November 30, 2020.

<b>Table of compensation excluding compensation securities</b>							
Name and position	Year (ended November 30)	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Chris Farnworth, CEO and Director <sup>(1)</sup>	2021	15,000	Nil	Nil	Nil	Nil	15,000
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Geoff Balderson, CFO <sup>(2)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Anna Dalaiere, Former Corporate Secretary and VP of Corporate Development <sup>(3)</sup>	2021	36,000	Nil	Nil	Nil	43,909	79,909
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Patrick Elliott, former CEO and Director <sup>(4)</sup>	2021	67,500	Nil	Nil	Nil	87,817	155,317
	2020	90,000	Nil	Nil	Nil	Nil	90,000
Paul K. Smith, former CEO, CFO and Director <sup>(5)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	24,000	Nil	Nil	Nil	Nil	24,000
Matthew McGill, Director <sup>(6)</sup>	2021	Nil	Nil	Nil	Nil	29,272	29,272
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and position	Year (ended November 30)	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Chadwick Clelland, Director <sup>(7)</sup>	2021	Nil	Nil	Nil	Nil	36,591	36,591
	2020	Nil	Nil	Nil	Nil	Nil	Nil
James Henning, former CFO <sup>(8)</sup>	2021	5,025	Nil	Nil	Nil	14,636	19,661
	2020	3,000	Nil	Nil	Nil	Nil	3,000

(1) Mr. Farnworth was appointed as a director and CEO on September 8, 2021.

(2) Mr. Balderson was appointed as CFO of October 18, 2021.

(3) Ms. Dalaire was appointed as Corporate Secretary and VP of Corporate Development on March 29, 2021, and resigned subsequent to the year ended on January 4, 2022.

(4) Mr. Elliott was appointed as a director and CEO on April 28, 2020, and resigned on September 8, 2021.

(5) Mr. Smith resigned as a director and CEO on April 28, 2020.

(6) Mr. McGill was appointed as a director on January 17, 2019.

(7) Mr. Clelland was appointed as a director on June 8, 2020.

(8) Mr. Henning was appointed as CFO on June 1, 2020, and resigned on October 18, 2021.

### External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Issuer to provide executive management services to the Issuer, directly or indirectly.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO or director by the Company or its subsidiaries in the year ended November 30, 2021, for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of Issue or grant	Issue, conversion or exercise price (\$) <sup>(1)</sup>	Closing price of security or underlying security on date of grant (\$) <sup>(1)</sup>	Closing price of security or underlying security at year end (\$)	Expiry date
Chris Farnworth, CEO & Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Geoff Balderson, CFO	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Anna Dalaire, Former Corporate Secretary & VP of Corporate Development	Stock Options	30,000 30,000	June 8, 2020 January 12, 2021	\$2.05 \$1.50	\$2.05 \$1.50	\$0.08	June 8, 2020 January 12, 2021
Patrick Elliot, former CEO and Director	Stock Options	75,000 60,000	June 8, 2020 January 12, 2021	\$2.05 \$1.50	\$2.05 \$1.50	\$0.08	June 8, 2020 January 12, 2021
Matthew McGill, director	Stock Options	25,000 20,000	June 8, 2020 January 12, 2021	\$2.05 \$1.50	\$2.05 \$1.50	\$0.08	June 8, 2020 January 12, 2021
Chad Clelland, director	Stock Options	25,000 25,000	June 8, 2020 January 12, 2021	\$2.05 \$1.50	\$2.05 \$1.50	\$0.08	June 8, 2020 January 12, 2021

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James Henning, former CFO	Stock Options	20,000 10,000	June 8, 2020 January 12, 2021	\$2.05 \$1.50	\$2.05 \$1.50	\$0.08	June 8, 2020 January 12, 2021

- (1) On February 4, 2022, subsequent to the year-end period, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 10 old common shares. The share consolidation has been retroactively presented in the statement of executive compensation statement by adjusting all compensation securities and underlying securities amounts, including per share amounts.

The following table discloses the total amount of compensation securities held by the NEOs and directors as at the Company's financial year ended November 30, 2021.

Name and Position	Number of Options as at November 30, 2020 <sup>(1)</sup>
Chris Farnworth, CEO and Director	Nil
Matthew McGill, director	45,000
Chad Clelland, director	50,000
Geoff Balderson, CFO	Nil

- (1) On February 4, 2022, subsequent to the year-end period, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 10 old common shares. The share consolidation has been retroactively presented in the statement of executive compensation statement by adjusting all compensation securities and underlying securities amounts, including per share amounts.

No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified in the Company's financial year ended November 30, 2021.

There are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

There are no exercise of compensation securities by NEOs and directors during the financial year ended November 30, 2021.

### Stock option plans and other incentive plans

The Board may, in accordance with its Stock Option Plan, from time to time, in its discretion, and in accordance with the rules and regulations of the CSE, grant to directors, officers, employees or consultants of the Issuer non-transferable- Options to purchase Common Shares for a period of up to ten years from the date of the grant.

The Stock Option Plan was approved by the Board on December 10, 2021, and was last approved by Shareholders on January 14, 2022. The Stock Option Plan does not require annual approval or ratification. The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officers, employees and consultants (together "service providers") of the Company and of its

affiliates and to closely align the personal interests of such service providers with the interests of the Issuer and its shareholders.

The Stock Option Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance will be 10% of the number of the Common Shares of the Company issued and outstanding from time to time.

The Stock Option Plan is administered by the Board of the Company, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Issuer and its affiliates, if any, as the Board may from time to time designate. The exercise prices shall be determined by the Board, but shall, in no event, be less than the closing market price of the Company's Common Shares on the CSE, less up to the maximum discount permitted under the CSE's policies. The Stock Option Plan provides that the number of Common Shares issuable on the exercise of options granted to all persons together with all of the Company's other previously granted options may not exceed 10% of the Issuer's issued and outstanding Common Shares. In addition, the number of Common Shares which may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares on a yearly basis. Subject to earlier termination and in the event of dismissal for cause, termination other than for cause or in the event of death, all options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

#### **Employment, consulting and management agreements**

The Company has not entered into any agreements or arrangements under which compensation is provided to any NEOs or directors or any persons providing services typically provided by a director or NEO.

The Company does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Issuer or a change in an NEO's responsibilities.

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

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive. The Board has not appointed a compensation committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Issuer's base compensation structure and equity-based compensation program, recommending compensation of the Issuer's officers and employees, and evaluating the performance of officers generally and in light of any annual goals and objectives, if applicable, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Issuer's senior management. The Issuer does not have pre-existing performance criteria or objectives for the Board or NEOs. All significant elements of compensation awarded to, earned by, paid or payable to NEOs are determined by the Issuer on a subjective basis. The Board reviews the

compensation of senior management on a semi-annual basis taking into account compensation paid by other issuers of similar size and resources.

The Issuer's executive compensation program has three principal components: base salary, incentive bonus plan and stock options.

Base salaries for all employees of the Issuer are established for each position through comparative salary surveys of similar type and size companies. Both individual and corporate performances are also taken into account, but other than setting out the duties and responsibilities of the applicable office or position by way of a job description, the Issuer does not set specific annual performance goals or similar conditions.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. No bonuses were paid to executive officers and employees during the most recently completed financial year.

The Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Issuer. In determining the number of Options to be granted to the executive officers, the Board takes into account the number of Options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the applicable stock exchange, and closely align the interests of the executive officers with the interests of the Issuer's shareholders.

The Issuer has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Issuer at competitive industry rates for work of a similar nature by reputable arm's length services providers. The Issuer does not provide pension or other benefits to the executive officers.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Issuer's financial resources and prospects.

Given the evolving nature of the Issuer's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

There were no actions, decisions or policies made since November 30, 2019 that would affect a reader's understanding of NEO compensation.

### **Pension Disclosure**

The Company does not have any pension or retirement plan which is applicable to the NEOs or directors. The Company has not provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company.