BIGG DIGITAL ASSETS INC.
(the "Company")

FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(for the year ended December 31, 2023)

GENERAL

The following information, dated as of June 28, 2024, is provided as required under Form 51-102F6V for Venture Issuers (the "**Form**"), as such term is defined in National Instrument 51-102 – Continuous Disclosure Obligations.

For the purposes of this Form:

"**Chief Executive Officer**" or "**CEO**" of the Company means an individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the financial year ended December 31, 2023.

"**Chief Financial Officer**" or "**CFO**" of the Company means an individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the financial year ended December 31, 2023.

"**closing market price**" means the price at which the Company's security was last sold, on the applicable date, in the security's principal marketplace in Canada.

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 Share-based Payment.

"**grant date**" means a date determined for financial statement reporting purposes under IFRS 2 Share-based Payment.

"**incentive plan**" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period.

"**incentive plan award**" means compensation awarded, earned, paid or payable under an incentive plan.

"**Named Executive Officers**" or "**NEOs**" means 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, for that financial year; and

(d) each individual who would be a named executive officer 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.

"**non-equity incentive plan**" means an incentive plan or portion of an incentive plan that is not an equity incentive plan.

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons.

"**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

The Company has an unlimited number of authorized common shares with no par value. The Company's common shares are listed on the Canadian Securities Exchange under stock symbol "BIGG".

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the two most recently completed financial years ended December 31, 2023 and 2022. Options and compensation securities are disclosed under the heading "Stock Options and Other Compensation Securities and Instruments" of this Form.

Name and Position	*Year*	*Salary, consulting fee, retainer or commission ($)*	*Bonus ($)*	*Committee or meeting fees ($)*	*Value of perquisites ($)*	*Value of all other compensation ($)*	*Total compensation ($)*
Lance Morginn (1) *President & Director*	2023 2022	181,949 257,400	25,000 50,000	Nil Nil	Nil Nil	Nil Nil	206,949 307,400
Daniel Reitzik (2) *Interim CEO*	2023 2022	38,759 N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	38,759 N/A
Kim Evans (3) *CFO & Director*	2023 2022	209,929 228,800	25,000 50,000	Nil Nil	Nil Nil	Nil Nil	234,929 278,800
Robert Birmingham (4) *Director*	2023 2022	36,000 36,000	Nil Nil	4,000 Nil	Nil Nil	Nil Nil	40,000 36,000
Mark Healy (5) *Director*	2023 2022	36,000 36,000	Nil Nil	4,000 Nil	Nil Nil	Nil Nil	40,000 36,000
Anthony Zelen (6) *Director*	2023 2022	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Fraser Matthews (7) *CEO of Netcoins*	2023 2022	243,718 141,078	12,500 50,000	Nil Nil	Nil Nil	Nil Nil	256,218 191,078
Kim Dwyer (8) *COO of Netcoins*	2023 2022	178,910 67,453	Nil Nil	Nil Nil	Nil Nil	Nil Nil	178,910 67,453
Mark Binns (9) *Former CEO & Director*	2023 2022	305,615 297,440	50,000 100,000	Nil Nil	Nil Nil	Nil Nil	355,615 397,400
Kalle Radage (10) *Former Director*	2023 2022	36,000 36,000	Nil Nil	6,000 Nil	Nil Nil	Nil Nil	42,000 36,000

Notes:

(1) Lance Morginn was appointed as Chairman of the Company on October 16, 2023 and President on August 8, 2019. He was appointed as a director on November 30, 2017.

(2) Daniel Retizik was appointed as Interim CEO of the Company on October 13, 2023. He is the CEO of TerraZero Technologies Inc., a wholly-owned subsidiary of the Company as at September 28, 2023.

(3) Kim Evans was appointed as CFO and a director of the Company on November 30, 2017.

(4) Robert Birmingham was appointed as a director of the Company on November 30, 2017. Mr. Birmingham receives directors' fees in the amount of $3,000 per month.

(5) Mark Healy was appointed as a director of the Company on December 17, 2021. Mr. Healy receives directors' fees in the amount of $3,000 per month.

(6) Anthony Zelen was appointed as a director of the Company on December 26, 2023. Mr. Zelen receives directors' fees in the amount of $3,000 per month; however, no fees were paid in 2023.

(7) Fraser Matthews was appointed as CEO and President of Netcoins Inc., a wholly-owned subsidiary of the Company, on October 16, 2023 and June 7, 2022, respectively.

(8) Kim Dwyer was appointed as COO of Netcoins Inc. on October 4, 2021.

(9) Mark Binns was appointed as CEO and a director of the Company on August 8, 2019 and ceased to act on October 13, 2023.

(10) Kalle Radage was appointed as a director of the Company on November 4, 2021 and ceased to act on December 26, 2023. Mr. Radage received directors' fees in the amount of $3,000 per month.

Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted or issued to each NEO and director of the Company for the financial year ended December 31, 2023, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries. The Company does not have any other equity incentive plans other than its fixed Stock Option Plan.

Name and position	*Type of compensation security(1)(2)*	*Number of compensation securities, number of underlying securities and % 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 end of year ($)*	*Expiry date*
Lance Morginn *Chairman, President & Director*	Stock options	1,000,000 168,860 168,860 376,000 1,713,720 stock options 1,713,720 common shares 0.54%	Jan 18/23 Sep 28/23 Sep 28/23 Dec 4/23	0.32 0.41 0.41 0.30	0.305 0.22 0.22 0.255	0.345 0.345 0.345 0.345	Jan 18/28 Jun 8/27 Mar 17/28 Dec 4/28
Daniel Reitzik *Interim CEO*	Stock options	337,720 194,189 500,000 1,031,909 stock options 1,031,909 common shares 0.32%	Sep 28/23 Sep 28/23 Dec 4/23	0.09 0.24 0.30	0.22 0.22 0.255	0.345 0.345 0.345	Nov 12/26 Jan 28/27 Dec 4/28
Kim Evans *CFO & Director*	Stock options	1,000,000 376,000 1,376,000 stock options 1,376,000 common shares 0.43%	Jan 18/23 Dec 4/23	0.32 0.30	0.305 0.255	0.345 0.345	Jan 18/28 Dec 4/28
Robert Birmingham *Director*	Stock options	50,000 121,000 171,000 stock options 171,000 common shares 0.05%	Jan 18/23 Dec 4/23	0.32 0.30	0.305 0.255	0.345 0.345	Jan 18/28 Dec 4/28
Mark Healy *Director*	Stock options	50,000 100,000 150,000 stock options 150,000 common shares 0.05%	Jan 18/23 Dec 4/23	0.32 0.30	0.305 0.255	0.345 0.345	Jan 18/28 Dec 4/28
Fraser Matthews *CEO & President of Netcoins Inc.*	Stock options	500,000 500,000 1,000,000 stock options 1,000,000 common shares 0.31%	Jan 18/23 Dec 4/23	0.32 0.30	0.305 0.255	0.345 0.345	Jan 18/28 Dec 4/28

Kim Dwyer *COO of Netcoins Inc.*	Stock options	25,000 182,000 207,000 stock options 207,000 common shares 0.02%	Jan 18/23 Dec 4/23	0.32 0.30	0.305 0.255	0.345 0.345	Jan 18/28 Dec 4/28
Mark Binns *Former CEO & Director*	Stock options	3,500,000 stock options 3,500,000 common shares 1.10%	Jan 18/23	0.32	0.305	0.345	Jan 18/28
Kalle Radage *Former Director*	Stock options	50,000 100,000 150,000 stock options 150,000 common shares 0.05%	Jan 18/23 Dec 4/23	0.32 0.30	0.305 0.255	0.345 0.345	Jan 18/28 Dec 4/28

Notes:

(1) No compensation security had been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company's financial year ended December 31, 2023.

(2) Stock options vest on grant with the exception of an aggregate 207,000 options granted to Kim Dwyer which vest over a period of 24 months in four equal tranches on each of the sixth, twelfth, eighteenth and twenty-fourth month anniversaries of the date of grant.

The following table sets out the compensation securities that were exercised by NEOs or directors of the Company during the financial year ended December 31, 2023.

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 date of exercise ($)***	***Total value on exercise date ($)***
Lance Morginn *Chairman, President & Director*	Stock options	160,000	0.20	Sep 11/23	0.255	0.06	8,800
Kim Evans *CFO & Director*	Stock options	160,000 200,000	0.20 0.10	Sep 11/23 Dec 12/23	0.255 0.27	0.06 0.17	8,800 34,000
Robert Birmingham *Director*	Stock options	50,000	0.20	Sep 5/23	0.275	0.08	3,750
Mark Binns (1) *Former CEO & Director*	Stock options	1,500,000 100,000 100,000 200,000 200,000	0.08 0.20 0.32 0.32 0.32	Jan 13/23 Dec 12/23 Dec 20/23 Dec 21/23 Dec 22/23	0.345 0.27 0.365 0.375 0.395	0.27 0.07 0.05 0.06 0.08	397,500 7,000 4,500 11,000 15,000

Notes:

(1) Mark Binns was appointed as CEO and a director of the Company on August 8, 2019 and ceased to act on October 13, 2023.

Stock options and other incentive plans

The Company's Stock Option Plan (the "**Plan**") is a "rolling" stock option plan and is established to attract and retain employees, consultants, officers or directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company. Management of the Company proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board. The Stock Option Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

The Plan reserves for issuance a maximum of 10% of the Common Shares at the time of a grant of options under the Plan. The Plan is administered by the Board of Directors and provides for grants of non-transferable options under the Plan at the discretion of the Board of Directors to directors, senior officers, employees, management company employees of, or consultants to, the Company and its subsidiaries, or their permitted assigns (each an "**Eligible Person**").

The Board of Directors has the authority under the Plan to determine the exercise price per Common Share at the time an option is granted, but such price shall not be less than the closing price of the Common Shares on the Canadian Securities Exchange (the "**Exchange**" or "**CSE**") on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors. The Board of Directors also has the authority under the Plan to determine other terms and conditions relating to the grant of options, including any applicable vesting provisions, provided that any options granted to consultants performing Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter of the options vesting in any three-month period.

The term of options granted under the Plan shall not exceed 5 years from the date of grant. All options granted under the Plan are not assignable or transferable other than by will or the laws of dissent and distribution. Other than Eligible Persons engaged in Investor Relations Activities, if an optionee ceases to be an Eligible Person for any reason whatsoever other than termination for cause or death, each fully vested option held by such optionee will cease to be exercisable 90 days following the termination date (being the date on which such optionee ceases to be an Eligible Person), provided that in no event shall such right extend beyond the expiry date of such options. If an optionee dies, the legal representative of the optionee may exercise the optionee's options within one year after the date of the optionee's death but only up to and including the original option expiry date. In the case of an optionee who is an Eligible Person engaged in Investor Relations Activities, each fully vested option held by such optionee will cease to be exercisable within 30 days from the date such optionee ceases to provide Investor Relations Activities, provided that in no event shall such right extend beyond the expiry date of such options. In the case of an optionee who is an Eligible Person who is terminated for cause, any option held by such optionee shall expire immediately.

The Plan also includes the following limitations on stock option grants:

(a) unless the Company obtains shareholder approval (which must be disinterested shareholder approval if required by the policies of the Exchange) the aggregate number of Common Shares issuable pursuant to options granted under the Plan shall not at any time exceed 10% of the number of Common Shares outstanding immediately prior to the grant of any such option;

(b) the aggregate number of Common Shares issuable to any one Eligible Person who is a Consultant (as defined in the Plan) shall not, within a one-year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option;

(c) the aggregate number of Common Shares issuable to all Eligible Persons retained in Investor Relations Activities shall not, within a one-year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option; and

(d) unless the Company obtains disinterested shareholder approval, the aggregate number of Common Shares issuable to any one Eligible Person (and where permitted, any companies that are wholly owned by that Eligible) shall not, within a one year period, exceed 5% of the number of Common Shares outstanding immediately prior to the grant of any such option.

Furthermore, the Plan provides that shareholder approval must be obtained to effect any of the following modifications to the Plan: (a) an increase in the benefits under the Plan; (b) an increase in the number of Common Shares which may be issued under the Plan; (c) modifications to the requirements as to the eligibility for participation in the Plan; (d) modifications to the limitations on the number of options that may be granted to any one person or category of persons under the Plan; (e) modifications to the method for determining the exercise price of options granted under the Plan; (f) an increase in the maximum option period; or (g) modifications to the expiry and termination provisions applicable to options granted under the Plan.

Vesting of stock options is at the discretion of the Board, and will generally be subject to: (i) the service provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period, or (ii) the service provider remaining as a director of the Company or any of its affiliates during the vesting period.

The Plan is subject to yearly approval by the Company's shareholders. The Plan was last approved by the Company's shareholders on March 14, 2024.

Employment, Consulting and Management Agreements

Lance Morginn ~ The Company has a management agreement with Lance Morginn pursuant to the terms of which the Company pays an annual management fee in the amount of $275,418 to Mr. Morginn. The management agreement provides that in the event the Company terminates the management agreement without cause, Mr. Morginn is entitled to a severance payment in the amount equal to one years' salary. There are no conditions or obligations which Mr. Morginn has to comply with in order to receive his severance pay. Further, the management agreement provides that in the event in a change of control, Mr. Morginn: (1) is entitled to receive payment in the amount equal to the greater of (i) a lump-sum payment of $200,000 or (ii) an amount equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control; (2) is guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that Mr. Morginn obtains comparable benefits from another source; and (3) shall have any stock options granted in his name vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is thirty-six months from the effective date of such change of control, notwithstanding the provisions of any agreement or plan. Except as set out above, there are no other obligations to compensate Mr. Morginn on resignation, retirement or any other termination.

Kim Evans ~ The Company has a management agreement with Kim Evans pursuant to the terms of which the Company pays an annual management fee in the amount of $244,816 to Ms. Evans. The management agreement provides that in the event the Company terminates the management agreement without cause, Ms. Evans is entitled to a severance payment in the amount equal to one years' salary. There are no conditions or obligations which Ms. Evans has to comply with in order to receive her severance pay. Further, the management agreement provides that in the event in a change of control, Ms. Evans: (1) is entitled to receive payment in the amount equal to the greater of (i) a lump-sum payment of $100,000 or (ii) an amount equal to two years' salary plus any bonuses at the highest rate in effect during the twelve month period immediately preceding the change of control; (2) is guaranteed the provision of employment benefits until that date which is the earlier of twelve months from the effective date of the change of control or the date that Ms. Evans obtains comparable benefits from another source; and (3) shall have any stock options granted in her name vest immediately upon such change of control and remain exercisable until the earlier of the expiry date of such stock options or the date that is thirty-six months from the effective date of such change of control, notwithstanding the provisions of any agreement or plan. Except as set out above, there are no other obligations to compensate Ms. Evans on resignation, retirement or any other termination.

Fraser Matthews ~ The Company's subsidiary has a management agreement with Fraser Matthews pursuant to the terms of which Netcoins Inc. ("Netcoins") paid a one-time signing bonus of $50,000, provided a moving allowance of $50,000, and paid an base salary of $225,000 (the "Base Salary") which was increased to $250,000 (the "Revised Base Salary") after an initial three month period. Mr. Matthew's salary was later increased to $285,000 on July 1, 2023. Mr. Matthews may be entitled to earn bonus incentive pay on an annualized basis (the "Variable Salary") of up to 50% of his Revised Base Salary, in accordance with the Company's executive pay and incentives policy, as amended from time to time at the discretion of the Board of Directors, by achieving targets and criteria established by the Board of Directors. The management agreement provides that in the event the Company terminates the management agreement without cause, Mr. Matthews is entitled to a severance payment in the amount equal to three months' salary, plus one additional month for each additional year of consecutive employment, to a maximum of twelve (12) months' notice. There are no conditions or obligations which Mr. Matthews has to comply with in order to receive his severance pay.

Mark Binns ~ The Company had a management agreement with Mark Binns pursuant to the terms of which the Company paid a one-time signing bonus of $65,000 and paid an annual salary of $360,000. In addition, Mr. Binns was eligible to earn bonus incentive pay on an annualized basis in accordance with the Company's executive pay and incentives policy, as amended from time to time at the discretion of the Board of Directors, by achieving targets and criteria established by the Company's Board of Directors. Mr. Binns resigned from his role as CEO and from the Board of the Company effective October 13, 2023, and entered into a separation of employment agreement and release agreement whereby he received a lump sum payment of $90,000, equivalent to three months' base pay, less applicable deductions and withholdings. As well, the Company entered into a consulting arrangement with Binns Holdings Inc., an entity wholly-owned by Mr. Binns, for a term of up to six months at a cost of $15,000 per month, whereby Mr. Binns provided assistance and transition support to the Company's Interim CEO, Dan Reitzik.

Oversight and Description of Director and NEO Compensation

The compensation of the Company's Named Executive Officers has been established with a view to attracting and retaining executives critical to the Company's short and long-term success and to continue providing executives with compensation that is in accordance with existing market standards generally and competitive within the technology industry.

The Company has a compensation committee comprised of Mark Healy (Chair), Robert Birmingham and Anthony Zelen (the "**Committee**"). The Committee is responsible for reviewing and determining all forms of compensation to be granted to the NEO's, directors and employees. The Company's NEO's are compensated through employment agreements or management agreements. The Committee does not have a pre-determined compensation plan and does not engage in benchmarking practices, but from time to time it does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry and geographic location while taking into account the financial and other resources of the Company.

Compensation of the Company's Named Executive Officers is comprised of three components: base salary, performance bonuses and stock options. Performance bonuses are considered from time to time. The Committee does not rely on any formula, or objective criteria and analysis to determine an exact amount of compensation to pay. The establishment of base salary, award of stock options and/or performance bonuses is based on subjective criteria including individual performance, level of responsibility, length of service and available market data.

Base compensation is determined following a review of comparable compensation packages for that position, together with an assessment of the responsibility and experience required for the position to ensure that it reflects the contribution expected from each NEO. Information regarding comparable salaries and overall compensation is derived from the knowledge and experience of the Committee, which takes into consideration a variety of factors. These factors include overall financial and operating performance of the Company and the Board's overall assessment of each NEO's individual performance and contribution towards meeting corporate objectives, levels of responsibility and length of service. Each of these factors is evaluated on a subjective basis.

Base Salary

The Company believes that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Company also believes that attractive base salaries can motivate and reward executives for their overall performance. Compensation for the fiscal year ended December 31, 2023, and prior fiscal years has historically been based upon a negotiated salary, with stock options and bonus potentially being issued and paid as an incentive for performance.

The employment agreements that were entered into with the Company's Named Executive Officers and directors are summarized above.

Bonus Payments

NEO's may be eligible for annual cash bonuses. The compensation committee does not currently prescribe a set of formal objective measures to determine discretionary bonus entitlements. Rather, the Committee uses informal goals typical for early stage companies such as strategic acquisitions, operations and development, equity and debt financings and other transactions and developments that serve to increase the Company's valuation. Precise goals or milestones are not pre-set by the Committee. During the two most recently completed financial years, the Company paid the following discretionary cash bonuses to its NEO's: (1) $25,000 in fiscal 2023 and $50,000 in fiscal 2022 to Lance Morginn, Chairman and President; (2) $25,000 in fiscal 2023 and $50,000 in fiscal 2022 to Kim Evans, CFO; and (3) $12,500 in fiscal 2023 and $50,000 in fiscal 2022 to Fraser Matthews, CEO and President of Netcoins Inc.; and (4) $50,000 in fiscal 2023 and $100,000 in fiscal 2022, to Mark Binns, the former CEO.

Long-Term Incentive Plan

The LTIP is designed to strengthen the alignment between executive compensation and the long-term interests of the Company's shareholders. Historically, the LTIP has been comprised of stock options. The inclusion of incentive compensation stock in compensation packages allows the Company to compensate employees while not drawing on limited cash resources. The amount of incentive compensation stock to be granted is based on the relative contribution and involvement of the individual in question, as well as taking into consideration previous grants. There are no other specific quantitative or qualitative measures associated with incentive compensation stock grants and no specific weights are assigned to any criteria individually, rather, the performance of the Company is broadly considered as a whole when determining the number of incentive stock-based compensation (if any) to be granted and the Company does not focus on any particular performance metric. During the financial year ended December 31, 2023, the Company granted a total of 8,828,629 stock options to its NEO's.

Awards under the LTIP are designed to provide shareholder aligned incentives to the Company's directors, officers and employees who make material contributions to the successful operation of the business of the Company, to increase their ownership interest in the Company and to allow the Company to attract and retain outstanding officers and employees.

Hedging of Economic Risks in the Company's Securities

The Company has not adopted a policy prohibiting directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by directors or officers. However, the Company is not aware of any directors or officers having entered into this type of transaction.

Risk Management and Assessment

In light of the Company's size, current activity level and the balance between long-term objectives and short-term financial goals with respect to the Company's executive compensation program, the Board does not deem it necessary to consider at this time the implications of the risks associated with its compensation policies and practices.

While the Company has awarded discretionary bonuses in the past two financial years, there is a risk associated with its approach to discretionary bonuses as there are no pre-defined objectives, target amounts or caps. As a result, there is some incentive for Named Executive Officers to take on unmanageable risk and unsustainable performance over the long term in order to achieve a short-term discretionary bonus payout. The Company is aware of this risk and at such time the Company moves to a more advanced stage of development, it is expected that the Company will develop a bonus program with pre-defined objectives and target amounts in order to mitigate these risks.

The Company views stock options as a valuable tool for aligning the interest of management and shareholders in the long-term growth and success of the Company. The Company is aware that stock option grants that vest immediately may create an incentive for management to maximize short term gains at the expense of the long-term success of the Company. In order to mitigate this risk, option grants are generally subject to vesting periods ranging from twelve to thirty-six months from the date of grant.

Director Compensation

During the fiscal year ended December 31, 2023, the Company paid an amount of $3,000 per month to each of its independent directors. As noted above, during 2023 a total of 6,589,720 stock options were granted to directors that hold management positions and 471,000 options were granted to the Company's independent directors.

Changes Subsequent to Year-End

Subsequent to the year ended December 31, 2023, the Company has not made any significant changes to its compensation practices.

Pension Plan Benefits

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.