

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

“**Company**” means Torino Power Solutions Inc.;

“**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 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:

Table of Compensation Excluding Compensation Securities							
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 (\$)
Ravinder Mlait Chief Executive Officer and Director ⁽¹⁾	2018 2017	\$180,000 \$150,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$180,000 \$150,000
Bryan Loree Chief Financial Officer and Director ⁽²⁾	2018 2017	\$180,000 \$150,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$180,000 \$150,000

⁽¹⁾ Mr. Mlait was appointed as the CEO of the Corporation effective December 1, 2015. The Corporation was incorporated on September 10, 2014.

⁽²⁾ Mr. Loree was appointed as the CFO of the Corporation effective December 1, 2015. The Corporation was incorporated on September 10, 2014.

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 December 31, 2018 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
Ravinder Mlait ⁽¹⁾ <i>CEO & Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bryan Loree ⁽²⁾ <i>CFO & Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jeffrey Mesina, <i>Director</i> ⁽³⁾	Stock Options	200,000	Jun 4, 2018	\$0.15	\$0.12	\$0.07	Jun 4, 2020
Darren Fast, <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ As at June 27, 2019 Mr. Mlait holds the following options to purchase common shares of the Company: (a) 700,000 common shares of the Company at \$0.15 per share expiring on May 13, 2021.

⁽²⁾ As at June 27, 2019 Mr. Loree holds the following options to purchase common shares of the Company: (a) 700,000 common shares of the Company at \$0.15 per share expiring on May 13, 2021.

⁽³⁾ As at June 27, 2019 Mr. Mesina holds the following options to purchase common shares of the Company: (a) 200,000 common shares of the Company at \$0.15 per share expiring on June 4, 2020.

There is no vesting period for the stock options granted above, and no restrictions or conditions for converting, exercising or exchanging the compensation securities.

Exercise of Compensation Securities by Directors and NEOs

The following table sets out each exercise by a director or NEO of compensation securities during the year ended 2018:

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 (\$)
Jeffrey Mesina <i>Director</i> ⁽³⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bryan Loree <i>CFO and Director</i> ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ravinder Mlait <i>CEO and Director</i> ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Darren Fast, <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ As at June 27, 2019 Mr. Mlait holds the following options to purchase common shares of the Company: (a) 700,000 common shares of the Company at \$0.15 per share expiring on May 13, 2021.

⁽²⁾ As at June 27, 2019 Mr. Loree holds the following options to purchase common shares of the Company: (a) 700,000 common shares of the Company at \$0.15 per share expiring on May 13, 2021.

⁽³⁾ As at June 27, 2019 Mr. Mesina holds the following options to purchase common shares of the Company: (a) 200,000 common shares of the Company at \$0.15 per share expiring on June 4, 2020.

Exercise of Compensation Securities by Directors and NEOs

Other than as set out below, no director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended December 31, 2018.

Stock Option Plans and Other Incentive Plans

The Option Plan is a “rolling” stock option plan, which makes a maximum of 10% of the issued and outstanding Common Shares available for issuance thereunder. The policies of the Exchange require that a rolling plan such as the Option Plan be approved by the Shareholders on an annual basis.

The purpose of the Option Plan is to provide directors, officers and key employees of, and certain other persons who provide services to, the Company with an opportunity to purchase Common Shares of the Company at a specific price, and subsequently benefit from any appreciation in the value of the Common Shares. This provides an incentive for such persons to contribute to the future success of the Company and enhances the ability of the Company to attract and retain skilled and motivated individuals, thereby increasing the value of the Common Shares for the benefit of all Shareholders.

The exercise price of stock options granted under the Option Plan will be determined by the Board and will be priced in accordance with the policies of the Exchange, and will not be less than the closing price of the Common

Shares on the Exchange on the date prior to the date of grant less any allowable discounts. All options granted under the Option Plan will have a maximum term of five years.

The Option Plan provides that it is solely within the discretion of the Board of Directors to determine who should receive options and how many they should receive. The Board may issue a majority of the options to insiders of the Company. However, the Option Plan provides that in no case will the Option Plan or any existing share compensation arrangement of the Company result, at any time, in the issuance to any option holder, within a one-year period, of a number of Common Shares exceeding 5% of the Company's issued and outstanding Common Share capital.

A copy of the Company's incentive stock option plan is available under the Company's profile on SEDAR at www.sedar.com.

Employment, Consulting and Management Agreements

Rav Mlait entered into a consulting agreement with the Company effective September 1, 2015, whereby Mr. Mlait agreed to provide management services as Chief Executive Officer at \$10,000 per month. On July 1, 2017, the consulting agreement was amended to \$15,000 per month. Bryan Loree entered into a consulting agreement with the Company effective September 1, 2015, whereby Mr. Loree agreed to provide management services as Chief Financial Officer at \$10,000 per month. On July 1, 2017, the consulting agreement was amended to \$15,000 per month.

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 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.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Defined Benefits Plans

The Company does not have a pension plan that provide for payments or benefits at, following, or in connection with retirement, excluding defined contribution plans.

Defined Contribution Plans

The Company does not have a pension plan that provides for payments or benefits at, following or in connection with retirement, excluding defined benefit plans.

Deferred Compensation Plans

The Company does not have any deferred compensation plan with respect to any NEO.