



**FORM 51-102F6V**

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS**

Dated: December 30, 2021

(All figures in Canadian dollars unless otherwise stated)

## EXECUTIVE COMPENSATION

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### GENERAL

For the purpose of this Statement of Executive Compensation:

“**Company**” means G2 Energy Corp. (formerly G2 Technologies Corp. and formerly Green 2 Blue Energy Corp.);

“**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 for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**NEO**” or “**named executive officer**” means each of 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 ended June 30, 2021 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;

“**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;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Based on the foregoing definitions, during the most recently completed financial year ended June 30, 2021, the Company had **four (4)** NEOs, namely Slawomir Smulewicz, President, CEO and Corporate Secretary, Sam Wong, Chief Financial Officer, Luis Hadic, Former Director and Former Chief Financial Officer and Keith Margetson, Former Chief Financial Officer.

### DIRECTOR AND NEO COMPENSATION

#### *Director and NEO compensation, excluding options and compensation securities*

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and 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 a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

Table of compensation excluding compensation securities							
Name and position	Year Ended June 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Slawomir Smulewicz</b> <sup>(1)</sup> Director, CEO, President & Corporate Secretary	2021	321,731	Nil	Nil	Nil	Nil	321,731
	2020	292,122 <sup>(2)</sup>	Nil	Nil	Nil	14,982 <sup>(3)</sup>	307,104
<b>Sam Wong</b> <sup>(4)</sup> Chief Financial Officer	2021	138,000	Nil	Nil	Nil	Nil	138,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>John Costigan</b> <sup>(5)</sup> Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Kai Hensler</b> <sup>(6)</sup> Director	2021	8,000 <sup>(7)</sup>	Nil	Nil	Nil	Nil	8,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Andrew Lee</b> <sup>(8)</sup> <i>Former Director</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Michel Kott</b> <sup>(9)</sup> <i>Former Director, VP Corporate Development</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	48,000	Nil	Nil	Nil	Nil	48,000
<b>Luis Hadic</b> <sup>(10)</sup> <i>Former Director and Former CFO</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Keith Margetson</b> <sup>(11)</sup> <i>Former CFO</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	10,000	Nil	Nil	Nil	Nil	10,000
<b>Maria Holuszko</b> <sup>(12)</sup> <i>Former Director</i>	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A

**NOTES:**

- (1) Slawomir Smulewicz was appointed as Director, President and CEO on July 19, 2017 and Corporate Secretary on April 16, 2018.
- (2) Mr. Smulewicz's remuneration is paid through Blue Amber Enterprise Ltd., a private company controlled by Mr. Smulewicz and his wife, pursuant to a consulting agreement with the Company and Blue Amber Enterprise Ltd.
- (3) This amount was miscellaneous payment from a former subsidiary.
- (4) Mr. Sam Wong was appointed as Chief Financial Officer on November 20, 2020.
- (5) Mr. John Costigan was appointed as Director on September 18, 2020.
- (6) Mr. Kai Hensler was appointed as Director on October 29, 2020.
- (7) Mr. Hensler's remuneration is paid through Hensler Holdings Inc.
- (8) Andrew Lee served as Director from March 22, 2018 until October 29, 2020.
- (9) Michael Kott served as Director and VP, Corporate Development from December 19, 2018 until October 8, 2020.
- (10) Luis Hadic served as Director and Chief financial Officer from May 15, 2020 until November 4, 2020.
- (11) Keith Margetson served as Chief Financial Officer of the Company from December 18, 2018 until May 15, 2019.
- (12) Maria Holuszko served a Director from December 19, 2018 until February 8, 2019.

## **External Management Companies**

### Blue Amber Enterprise Ltd. Agreement

Blue Amber Enterprise Ltd. ("**Blue Amber**") is a private company controlled by Slawomir Smulewicz (the "**Consultant**"), President, Chief Executive Officer and a director of the Company and his wife. Pursuant to an agreement dated for reference January 1, 2017, amended April 1, 2019, the Company entered into a consulting agreement with Blue Amber (the "**Blue Amber Contract**"), and provides management and administrative services to the Company in accordance with the terms of the Blue Amber Contract for an average monthly fee of \$26,184 plus applicable taxes and reimbursement of all reasonable out-of-pocket expenses incurred on behalf of the Company.

The Blue Amber Contract is for an initial term of sixty (60) months. The Blue Amber Contract can be terminated by the Company for cause without notice and without liability for any claim, action or demand upon the happening of the following events:

- (a) if the consultant fails or refuses, repeatedly, to comply in any material respect with the reasonable policies, standards or regulations of the Company established from time to time in writing and in accordance with this agreement;
- (b) if the Consultant fails to perform in any material respect, his duties as determined by the Company in accordance with this agreement and consistent with the customary duties of the Consultant's engagement;
- (c) if the Consultant conducts himself in a wilfully dishonest, or an unethical or fraudulent manner that materially discredits the Company or is materially detrimental to the reputation, character or standing of the Company; or
- (d) if the Consultant conducts any unlawful or criminal activity, which activity materially discredits the Company or is materially detrimental to the reputation, character or standing of the Company.

The Blue Amber Contract can also be terminated without cause by paying to the Consultant the lesser of 9 months consulting fee or a lump sum amount equal to the portion of the consulting fee remaining for the rest of the period under the Consulting Contract and by providing to the Consultant the amount of the bonus to which the Consultant would have been entitled to.

The Consulting Contract can be terminated by the Consultant by providing sixty (60) days' written notice to the Company.

If there is a take-over or change of control of the Company resulting in the termination of the Consulting Contract, then the Consultant will receive a lump sum payment equal to the portion of the Consulting Fee remaining for the rest of the period under the Term of Engagement.

### Samina Capital Ltd. Agreement

Samina Capital Ltd. ("**Samina**") is a private company controlled by Sam Wong (the "**Consultant**"), Chief Financial Officer of the Company. Pursuant to an agreement dated for reference November 1, 2020, the Company entered into a consulting agreement with Samina (the "**Samina Contract**") and provides Chief Financial Officer and accounting services to the Company in accordance with the terms of the Samina Contract for an average monthly fee of \$15,000 plus applicable taxes and reimbursement of all reasonable travelling and out-of-pocket expenses actually and properly incurred by Samina on behalf of the Company.

The Samina Contract is for an indefinite term subject to termination in accordance with the terms set out in the Agreement.

The Samina Contract can be terminated by the Company for just cause (as defined within the Samina Contract) without notice or pay in lieu of notice for just cause.

The Samina Contract can also be terminated without cause. Should the Samina Contract be terminated without cause, the Company will promise to pay any outstanding fee within 5 business days.

In addition, the Samina Contract can be terminated by the Consultant without reason. If the Consultant terminates its service for reasons other than good reason (as defined in the Samina Contract) then the Consultant shall provide the Company 30 days advance written notice to the Company. All compensation shall cease accruing upon the Consultant's effective termination date for any termination by the Consultant other than for good reason.

There are no take-over or change of control benefits included in the Samina Contract.

During the most recently completed financial year, the Company paid or accrued \$460,231 in management and administrative services.

### **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 by any subsidiary thereof in the years ended June 30, 2021 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

<b>Compensation Securities</b>							
<b>Name and position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class</b>	<b>Date of issue or grant</b>	<b>Issue, conversion or exercise price (\$)</b>	<b>Closing price of security or underlying security on date of grant (\$)</b>	<b>Closing price of security or underlying security at Year Ended June 30, 2021 (\$)</b>	<b>Expiry Date</b>
<b>Slawomir Smulewicz</b> Director, CEO, President & Corporate Secretary	Stock Options	400,000 Stock Options (17.11%)  (Underlying Securities: 400,000 Common Shares 1.71%)	May 5, 2021	\$0.15	\$0.14	\$0.095	May 5, 2026
<b>Sam Wong</b> Chief Financial Officer	Stock Options	100,000 Stock Options (4.27%)  (Underlying Securities: 100,000 Common Shares 0.42%)	May 5, 2021	\$0.15	\$0.14	\$0.095	May 5, 2026
<b>John Costigan</b> Director	Stock Options	25,000 Stock Options (1.06%)  (Underlying Securities: 25,000 Common Shares 0.10%)	May 5, 2021	\$0.15	\$0.14	\$0.095	May 5, 2026

Compensation Securities							
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 Ended June 30, 2021 (\$)	Expiry Date
Kai Hensler Director	Stock Options	25,000 Stock Options (1.06%)  (Underlying Securities: 25,000 Common Shares 0.10%)	May 5, 2021	\$0.15	\$0.14	\$0.095	May 5, 2026

### ***Exercise of Compensation Securities by Directors and NEOs***

There were no compensation securities exercised by a director or NEO during the financial year ended June 30, 2021.

### ***Stock Option Plans and Other Incentive Plans***

The Company's Stock Option Plan was adopted on May 22, 2015, and permits the Board from time to time, in its discretion and in accordance with applicable securities laws and policies of the Canadian Securities Exchange, to grant to directors, officers, employees and consultants options to purchase common shares of the Company ("**Option Shares**"), provided that the number of Option Shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company.

The Plan was established to attract and retain directors, officers, employees, and consultants 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 through options granted under the Plan to purchase Option Shares. The options are exercisable for a period determined by the Board, so long as the optionee maintains the optionee's position with the Company.

The following information is intended to be a brief description of the Plan and is qualified in its entirety by the full text of the Plan:

- the aggregate number of shares that may be issued pursuant to options granted under the Plan, unless otherwise approved by Shareholders, may not exceed that number which is equal to 10% of the issued and outstanding shares of the Company at the time of the grant;
- subject to a minimum exercise price of \$0.10 per Option Share, the minimum exercise price of an option granted under the Plan must not be less than the closing market price of the common shares of the Company on the trading day immediately preceding the date of grant, less any applicable discount allowed by the Canadian Securities Exchange.
- the term of any stock option will not exceed five years;
- if a director, officer, employee, or consultant ceases to be so engaged by the Company for any reason other than death, such director, officer, employee, or consultant shall have the right to exercise any vested option granted to him under the Plan and not exercised prior to such termination within a period of 90 days after the date of termination, or such shorter period as may be set out in the optionee's written agreement;

- if an optionee who is engaged in investor relations activities ceases to be so engaged by the Company, such optionee shall have the right to exercise any vested option granted to him under the Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the optionee's written agreement;
- if an optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the optionee's death exercise that portion of an option granted to the optionee under the Plan which remains vested and outstanding;
- the aggregate number of common shares subject to an option that may be granted to any one individual in any 12-month period under the Plan shall not exceed 5% of the issued outstanding shares common shares determined at the time of such grant;
- the aggregate number of common shares subject to an option that may be granted to any one consultant in any 12-month period under the Plan shall not exceed 2% of the issued outstanding shares common shares determined at the time of such grant;
- the aggregate number of common shares subject to an option that may be granted to any one person conducting investor relations activities in any 12-month period under the Plan shall not exceed 2% of the issued outstanding shares common shares determined at the time of such grant;
- the Board will determine the vesting schedule for each stock option in accordance with the rules and policies of the regulatory authorities; and
- all options are non-assignable and non-transferable.

### ***Other Provisions***

The Stock Option Plan contains provisions governing the acceleration of the vesting of options in the event of a change of control of the Company or in the event of a take-over proposal.

As at the financial year end of June 30, 2021, there were an aggregate of 600,000 Stock Options outstanding and as at the date of this Circular, there are an aggregate of 600,000 stock options issued and outstanding.

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

Except as disclosed above under "External Management Companies", the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

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

Under the terms of the Consulting Agreements disclosed above, in the event that a change in the voting control of the shares of the Company occurs during the Term of Engagement and the Consultants are terminated during the Term of Engagement of such change of control then the Consultants will receive a lump sum payment equal to the portion of the Consulting Fee remaining for the rest of the period under the Term of Engagement. As at the financial year end of June 30, 2021, if the Consultants were terminated due to a change of control then the Consultants would have been entitled to receive \$157,104.

### ***Oversight and description of director and named executive officer compensation***

#### ***Compensation of Directors***

The compensation of directors and the CEO is determined by the Board as a whole. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

The Company had no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial year ended June 30, 2021, or subsequently, up to and including the date of this Information Circular with the exception of stock-based compensation as detailed in this Information Circular. The quantity and quality of Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent director(s) with significant input into compensation decisions. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time and in the opinion of the Board, should the size and activities of the Company and the number of management employees warrant the formation of a formal compensation committee, one shall be appointed at such time.

### ***Compensation of NEOs***

Compensation of NEOs is reviewed annually and determined by the Board as a whole. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for NEOs.

### ***Elements of NEO Compensation***

As outlined above, the Company provides a Stock Option Plan to motivate NEOs by providing them with the opportunity, through stock options, to acquire an interest in the Company and benefit from the Company's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of stock options to NEOs. Other than the Stock Option Plan, the Company does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs.

### ***Pension disclosure***

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans currently in place or proposed at this time.