

ADURO CLEAN TECHNOLOGIES INC
(the “Company”)

STATEMENT OF EXECUTIVE COMPENSATION
Form 51-102F6V
Statement of Executive Compensation – Venture Issuers

General

“Company” means Aduro Clean Technologies 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 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**named executive officer**” or “**NEO**” 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 whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a NEO 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; 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 or any subsidiary 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 or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Year ⁽¹⁾	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽²⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Ofer Vicus ⁽³⁾ <i>CEO and Director</i>	2022	104,167	Nil	Nil	Nil	Nil	104,167
	2021	60,000	Nil	Nil	Nil	Nil	60,000
William Marcus Trygstad ⁽⁴⁾ <i>Director and Chief Technology Officer</i>	2022	143,973	Nil	Nil	Nil	Nil	143,973
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Gene Cammack ⁽⁵⁾ <i>CFO and Secretary</i>	2022	91,716	Nil	Nil	Nil	Nil	91,716
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Mena Beshay ⁽⁶⁾ <i>CFO and Secretary</i>	2022	15,417	7,700	Nil	Nil	Nil	23,117
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Chris Parr ⁽⁷⁾ <i>Director and former CEO and President</i>	2022	60,000	Nil	Nil	Nil	Nil	60,000
	2021	67,000	Nil	5,000	Nil	Nil	67,000
Peter Kampian ⁽⁸⁾ <i>Director</i>	2022	50,000	Nil	Nil	Nil	Nil	50,000
	2021	Nil	Nil	Nil	Nil	Nil	Nil
James E. Scott ⁽⁹⁾ <i>Director</i>	2022	10,914	Nil	Nil	Nil	Nil	10,914
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Donnacha Rahill ⁽¹⁰⁾ <i>Former CFO and Secretary</i>	2022	74,543	Nil	Nil	Nil	Nil	74,543
	2021	13,000	Nil	Nil	Nil	Nil	13,000

(1) For the year ended April 30th.

(2) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

(3) Ofer Vicus was appointed CEO and a director of the Company on April 23, 2021.

(4) William Marcus Trygstad was appointed Chief Technology Officer and a director of the Company on April 23, 2021.

(5) Gene Cammack was appointed COO of the Company on May 18, 2022.

(6) Mena Beshay was appointed CFO and Secretary of the Company on May 2, 2022.

(7) Chris Parr was appointed as a director of the Company on January 10, 2018. He was appointed as President of the Company on September 6, 2018 and resigned on April 23, 2021. Mr Parr was appointed as CEO on January 11, 2018 and resigned on April 23, 2021.

(8) Peter Kampian was appointed as a director of the Company on April 23, 2021.

(9) Scott E. James was appointed as a director of the Company on February 22, 2022.

(10) Donnacha Rahill was appointed as CFO and Secretary of the Company on January 11, 2021 and resigned from both positions on May 2, 2022.

Stock Options and Other Compensation Securities

During the year ended May 31, 2022, the following compensation securities were granted or issued to, and were held by, directors and NEOs by the Company or any subsidiary thereof for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

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 End	Expiry Date
Ofer Vicus <i>CEO and Director</i>	Options	N/A	N/A	N/A	N/A	N/A	N/A
William Marcus Trygstad <i>Director and Chief Technology Officer</i>	Options	1,108,457 / 1,108,457 / 19.71%	April 30, 2021	\$0.65	\$0.65	\$0.58	April 30, 2031
Gene Cammack <i>Chief Operating Officer</i>	Options	400,000 / 400,000 / 4.80%	February 22, 2022	\$0.72	\$0.68	\$0.58	February 20, 2032
Mena Beshay <i>CFO and Secretary</i>	Options	300,000 / 300,000 / 5.02%	April 30, 2021	\$0.65	\$0.65	\$0.58	April 30, 2031
		400,000 / 400,000 / 7.11%	June 20, 2022	\$0.70	\$0.55	N/A	June 20, 2032
Chris Parr <i>Director and former CEO and President</i>	Options	250,000 / 250,000 / 4.44%	April 30, 2021	\$0.65	\$0.65	\$0.58	April 30, 2031
Peter Kampion <i>Director</i>	Options	250,00 / 250,000 / 4.44%	April 30, 2021	\$0.65	\$0.65	\$0.58	April 30, 2031
		100,000 / 100,000 / 1.77%	February 22, 2022	\$0.72	\$0.68	\$0.58	February 20, 2032
James E. Scott <i>Director</i>	Options	150,000 / 150,000 / 2.66%	February 22, 2022	\$0.72	\$0.68	\$0.58	February 20, 2032
Donnacha Rahill <i>Former CFO and Secretary</i>	Options	75,000 / 75,000 / 1.33%	April 30, 2021	\$0.65	\$0.65	\$0.58	April 30, 2031
		225,000 / 225,000 / 4.00%	February 22, 2022	\$0.72	\$0.68	\$0.58	February 20, 2032

As at May 31, 2022:

- (a) Ofer Vicus, the CEO of the Company, did not own any compensation securities.

- (b) William Marcus Trygstad, director and Chief Technology Officer of the Company, owned an aggregate of 1,108,457 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, exercisable at a price of \$0.65 per Share until April 30, 2031;
- (c) Gene Cammack, Chief Operating Officer of the Company, owned an aggregate of 400,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, exercisable at a price of \$0.72 per Share until February 20, 2022;
- (d) Mena Beshay, CFO and Secretary of the Company, owned an aggregate of 700,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, of which 300,000 are exercisable at a price of \$0.65 per Share until April 30, 2031 and 400,000 are exercisable at a price of \$0.70 per Share until June 20, 2032;
- (e) Chris Parr, Director and former CEO and President of the Company, owned an aggregate of 250,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, exercisable at a price of \$0.65 per Share until April 30, 2031;
- (f) Peter Kampian, a director of the Company, owned an aggregate of 350,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, of which 250,000 are exercisable at a price of \$0.65 per Share until April 30, 2031 and 100,000 are exercisable at a price of \$0.72 per Share until February 20, 2032;
- (g) James E. Scott, a director of the Company, owned an aggregate of 150,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, exercisable at a price of \$0.72 per Share until February 20, 2022; and
- (h) Donnacha Rahill, Former CFO and Secretary of the Company, owned an aggregate of 300,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share, of which 75,000 are exercisable at a price of \$0.65 per Share until April 30, 2031 and 225,000 are exercisable at a price of \$0.72 per Share until February 20, 2032. Mr Rahill's stock options remained in effect since his resignation on May 2, 2022.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by an NEO or director of the Company during the year ended May 31, 2022.

Stock Option Plans and Other Incentive Plans

On April 29, 2021, the Board adopted the Amended Stock Option Plan. The purpose of the Amended Stock Option Plan is 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 Amended Stock Option Plan. The Amended Stock Option Plan provides that the number of Shares available for issuance is subject to the restrictions imposed under applicable securities laws or Canadian Securities Exchange (“CSE”) policies. The Amended Stock Option Plan was approved by the shareholders of the Company at the annual general meeting on November 29, 2021.

Options may be granted under the Amended Stock Option Plan to such directors, officers, employees, or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. The exercise price of option grants will be determined by the Board, but shall not be less than the greater of the closing market prices of the underlying Shares on (i) the trading day prior to the date of grant of the stock options and (ii) the date of grant of the stock options. All options granted under the Amended Stock

Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) one month from date of termination other than for cause, or as set forth in each particular stock option agreement; (iii) twelve months from the date of disability; or (iv) twelve months from the date of death. Options granted under the Amended Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

The number of shares reserved for issuance under the Amended Stock Option Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of shares, is subject to the restrictions imposed under applicable securities laws and stock exchange policies. As of the date hereof, 5,624,999 stock options are outstanding under the Amended Stock Option Plan.

The Company does not have any other incentive plans other than its Amended Stock Option Plan.

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.

Employment, Consulting and Management Agreements

The Company has an employment agreement with Ofer Vicus (the "**Vicus Agreement**"), pursuant to which Mr. Vicus provides certain management and other services to the Company, including without limitation to act as Chief Executive Officer of the Company. Mr. Vicus shall, in accordance with the terms and conditions of the Vicus Agreement, perform the services in a timely and professional manner pertaining to the best interests of the Company. Effective as of May 1, 2022, the annual salary of Mr. Vicus increased from \$100,000 to \$150,000, not inclusive of vacation pay and other entitlements. Effective as of August 1, 2022, the annual salary of Mr. Vicus increased to \$200,000, not inclusive of vacation pay and other entitlements. The Vicus Agreement will continue until the Vicus Agreement is terminated by either Mr. Vicus or the Company. Mr. Vicus may terminate the Vicus Agreement by providing three months' notice to the Company. The Company may terminate the Vicus Agreement in accordance with applicable employment laws. The Vicus Agreement will automatically terminate upon death or disability of Mr. Vicus. The Vicus Agreement also provides for certain non-solicitation and confidentiality provisions.

The Company has an employment agreement with Mena Beshay (the "**Beshay Agreement**"), pursuant to which Mr. Beshay provides certain management and other services to the Company, including without limitation to act as CFO of the Company. Mr. Beshay shall, in accordance with the terms and conditions of the Beshay Agreement, perform the services in a timely and professional manner pertaining to the best interests of the Company. As consideration for the services to be provided by Mr. Beshay, the Company agreed to pay an annual salary of \$185,000. The Beshay Agreement commenced on May 2, 2022 and will continue until the Beshay Agreement is terminated by either Mr. Beshay or the Company. Mr. Beshay may terminate the Beshay Agreement by providing 18 weeks' notice to the Company. The Company may terminate the Beshay Agreement in accordance with applicable employment laws. The Beshay Agreement will automatically terminate upon death or disability of Mr. Beshay. The Beshay Agreement also provides for certain non-disclosure and confidentiality provisions.

The Company has an independent consulting arrangement with one of its founders, Marcus Trygstad, to act as the Chief Technical Officer of the Company. The Company pays Mr. Trygstad an annual consulting fee of \$200,000 for his services as Chief Technical Officer, which amount is paid in monthly instalments upon receipt of an invoice from Mr. Trygstad. The Company does not provide any health insurance coverage or benefit plans to Mr. Trygstad who is responsible to obtain his own such coverage or plans.

Travel and other expenses are invoiced on a monthly basis and must be approved by the Chief Executive Officer. The Company and Mr. Trygstad have agreed that the consulting relationship will continue until it is terminated by either Mr. Trygstad or the Company upon reasonable notice.

The Company has an independent consulting arrangement with Gene Cammack to act as the Chief Operating Officer of the Company. The Company pays Mr. Cammack an annual consulting fee of US\$140,000 for his services as Chief Operating Officer, which amount is paid in monthly instalments upon receipt of an invoice from Mr. Cammack. The Company does not provide any health insurance coverage or benefit plans to Mr. Cammack who is responsible to obtain his own such coverage or plans. Travel and other expenses are invoiced on a monthly basis and must be approved by the Chief Executive Officer. The Company and Mr. Cammack have agreed that the consulting relationship will continue until it is terminated by either Mr. Cammack or the Company upon reasonable notice.

The Company has a consulting agreement with Donnacha Rahill (the “**Rahill Consulting Agreement**”), pursuant to which Mr. Rahill provides certain accounting and financial reporting services to the Company. Mr. Rahill shall, in accordance with the terms and conditions of the Rahill Consulting Agreement, perform the consulting services in a timely and professional manner pertaining to the best interests of the Company. As consideration for the services to be provided by Mr. Rahill, the Company agreed to pay an hourly consulting fee of \$150 per hour plus HST, provided that the number of hours and the fee for the specific task or project is agreed in advance by Mr. Rahill and the Company. The Rahill Consulting Agreement will continue until the Rahill Consulting Agreement is terminated by either Mr. Rahill or the Company, upon three weeks’ written notice. The Rahill Consulting Agreement will automatically terminate upon death or disability of Mr. Rahill. The Rahill Consulting Agreement also provides for certain non-disclosure and confidentiality provisions.

Termination and Change of Control Benefits

There is no contract, agreement, plan or arrangement between the Company and its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of the Company or a change in a Named Executive Officer’s responsibilities.

Oversight and Description of Director and NEO Compensation

Compensation of Directors

Compensation of directors of the Company is reviewed annually and determined by the Board. 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. In the Board’s view, there is, and has been, no need for the Company to design or implement a formal compensation program for directors. While the Board considers Option grants to directors under the Equity Incentive Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of Options. Other than the Equity Incentive Plan, as discussed above, the Company does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Compensation of NEOs is reviewed annually and determined by the Board. 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

Salary

The Company's CEO and CFO receive consulting/management fees pursuant to the terms of the Management Agreements. The Board reviews salaries annually to ensure that they reflect each respective NEO's performance and experience in fulfilling his/her role. Due to the relatively small size of the Company, limited cash resources, and the early stage and scope of the Company's operations, NEOs receive limited salaries relative to industry standards. The Board does not currently have any plan in place to materially increase NEOs' salaries.

See "Executive Compensation – Employment, Consulting and Management Agreements" for more details.

Equity Incentive Plan

The Company provides an Equity Incentive Plan to motivate NEOs by providing them with the opportunity, through 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 Options to NEOs. Other than the Equity Incentive 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 Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.