

LEVEL 14 VENTURES LTD.

**FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020
(the “Statement of Executive Compensation”)**

General

For the purposes of this Statement of Executive Compensation:

“**Company**” means Level 14 Ventures Ltd.;

“**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;

“**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 chief financial officer;
- 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 CDN\$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, 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; and

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

Based on the foregoing definitions, Marcel de Groot, as the President and CEO of the Company and Victoria McMillan as CFO of the Company are the only NEOs during the financial year ended December 31, 2020.

Compensation Discussion and Analysis

The Company’s executive compensation is intended to be consistent with the Company’s business plans, strategies and goals, including the preservation of working capital. The Company’s executive compensation program is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company’s compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The board of directors of the Company (the “**Board**”) determines and approves the compensation of the Company’s directors and NEOs and in doing so considers the risks associated with the Company’s compensation policies and practices. The Board intends for executive compensation to be consistent with the Company’s business plans, strategies and goals, including the preservation of working capital as the Company seeks to devote funds to exploration activities.

The Company has adopted a Stock Option Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

Other than as disclosed herein, the Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The compensation paid to the NEOs of the Company during year ended December 31, 2020 is set out below and expressed in Canadian dollars unless otherwise noted:

Name and Position	Fiscal Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Maximum Compensation (\$)
Marcel de Groot <i>President, CEO and Director, and former Corporate Secretary</i> ⁽¹⁾	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Victoria McMillan <i>CFO</i> ⁽²⁾	2020	19,266	Nil	Nil	Nil	Nil	19,266
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

⁽¹⁾ Mr. de Groot was appointed as a director, as well as President, CEO and Corporate Secretary upon incorporation of the Company on November 7, 2018. Mr. de Groot resigned as Corporate Secretary effective September 1, 2020. Mr. de Groot was also the Company’s sole director until September 1, 2020.

⁽²⁾ Ms. McMillan was appointed as Chief Financial Officer of the Company upon incorporation of the Company on November 7, 2018.

Stock Options and Other Compensation Securities

The following table sets out information for each of the current officers and directors of the Company concerning all option-based awards issued as of December 31, 2020:

Name and Position	Type of 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 (\$)⁽²⁾	Closing price of security or underlying security at year end (\$)	Expiry Dates
Marcel de Groot <i>President, CEO and Director</i>	Stock	350,000 ⁽¹⁾	December 14, 2018	\$0.10	-	-	December 14, 2023
	Options	300,000	September 18, 2020	\$0.10	-	-	September 18, 2025
Hayley De Witt <i>Director</i>	Stock Options	300,000	September 18, 2020	\$0.10	-	-	September 18, 2025
Christopher Cooper <i>Director</i>	Stock Options	100,000	September 18, 2020	\$0.10	-	-	September 18, 2025

Victoria McMillan CFO	Stock Options	175,000 125,000	December 14, 2018 September 18, 2020	\$0.10 \$0.10	- -	- -	December 14, 2023 September 18, 2025
Christian Uria Corporate Secretary	Stock Options	50,000	September 18, 2020	\$0.10	-	-	September 18, 2025

Notes:

- (1) 350,000 Options were issued to Pathway Capital Ltd., a company controlled by Marcel de Groot.
- (2) The shares of the Company commenced trading on December 14, 2020 and as such there was no closing price of the security on the date of issuance. There had been no trades in the Company's Common Shares by December 31, 2020 and so a closing share price of \$0.00 has been used.

No compensation security has been re-priced, cancelled and replaced, has its term extended, or otherwise been materially modified, in the most recently completed financial year.

Exercise of Options and Compensation Securities by Directors and NEOs

During the financial year ended December 31, 2020, no NEO or director exercised compensation securities.

Stock Option Plans and Other Incentive Plans

A stock option plan was approved by the Company's Board of Directors effective as of December 14, 2018 (the "**Stock Option Plan**"). The principal purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity to be issued with and acquire common shares of the Company (the "**Shares**"), thereby increasing their proprietary interest in the Company, and encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

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

The Stock Option Plan is administered by the Board, 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 Company and its affiliates, if any, as the Board may from time to time designate.

The number of Shares which may be issuable under the Stock Option Plan: (a) shall not exceed 10% of the total number of the issued and outstanding Shares; (b) to any one participant within a 12-month period shall not exceed 5% of the total number of the issued and outstanding Shares; and (c) within a one-year period (i) to any one person, shall be no more than 5% of the total number of issued and outstanding Shares, with the exception of a consultant who may not receive grants of more than 2% of the total number of issued and outstanding Shares; (ii) to insiders as a group, shall be no more than 10% of the total number of issued and outstanding Shares; and (iii) to persons employed to conduct investor relations activities, shall be no more than an aggregate of 2% of the total number of issued and outstanding Common Shares at any one time.

The exercise prices of Options will be determined by the Board, but will, in no event, be less than the closing market price of Common Shares on the trading day prior to the date of grant of the Options less the maximum discount permitted under the Canadian Securities Exchange policies. As options are generally priced at market value at the time of grant and are subject to mandatory vesting schedules, the benefits of such compensation, if any, may not be realized by the executive until a significant period of time has passed. Accordingly, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is extremely limited.

All Options granted under the Stock Option Plan will expire no later than the date that is five years from the date that such Options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

Subject to certain limitations, in the event that an option holder's position as a director, officer, employee or consultant is terminated for any reason other than long term disability, death or for cause, the options held by such option holder may be exercised within 90 days of termination (or 30 days if the option holder was engaged in investor relations activities), provided such options have vested and not expired. Subject to certain limitations, in the event that an option holder's position as a director, officer, employee or consultant is terminated as a result of his or her death or long term disability, any options held by such option holder that could have been exercised immediately prior to such termination of service shall be exercisable for a period of one year following the termination of service of such option holder.

Subject to certain limitations, in the event that an option holder's employment is terminated for cause, the options held by such option holder shall expire and terminate on the date of such termination for cause.

External Management Companies

Other than as disclosed herein, the Company has not entered into any agreement with any external management company that employs or retains one or more of the NEOs or Directors and the Company has not entered into any understanding, arrangement or agreement with any external management company to provide executive management services to the Company, directly or indirectly, in respect of which any compensation was paid by the Company.

On September 1, 2020 the Company entered into an administrative services agreement (the "**Services Agreement**") with Pathway Capital Ltd. ("**Pathway**"), a company owned by Marcel de Groot and David De Witt. Under the Services Agreement, the Company pays Pathway \$2,000 per month for administrative services and \$3,000 per month for providing management services to the Company including the services of Christian Uria as Corporate Secretary and accountant to the Company. It is expected that over the next 12 months, Pathway will pay Christian Uria approximately \$35,000 for services he provides to the Company directly or indirectly.

Employment, Consulting and Management Agreements

As of December 31, 2020, the Company has not entered into written employment or consulting agreements with either of Marcel de Groot or Victoria McMillan.

Marcel de Groot will not receive an annual salary for his services as President and CEO of the Company but will be compensated exclusively in stock options.

Victoria McMillan will be compensated directly by the Company at a rate of \$165 per hour for services performed for the Company as CFO. Over the next 12 months it is anticipated that the Company will pay Ms. McMillan approximately \$40,000 for her services.

Pension Plan Benefits

The Company does not anticipate having any deferred compensation plan or pension plan that provide for payments or benefits at, following or in connection with retirement.