



STATEMENT OF EXECUTIVE COMPENSATION
(for the financial year ended September 30, 2023)

Silver Hammer Mining Corp.
(the “Company”)

For the purposes of this Statement of Executive Compensation, a Named Executive Officer (“NEO”) of the Company means each of the following individuals:

In this section “NEO” means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

During the financial year ended September 30, 2023, the Company had four NEOs: Peter A. Ball, the current President and CEO of the Company, Alnesh Mohan, CFO and Corporate Secretary of the Company, Warwick Smith, the former Interim President and Interim CEO of the Company, and Morgan Lekstrom, the former President and former CEO of the Company.

For greater clarity in reviewing the below Summary Compensation Table for the financial years ended September 30, 2023 and earlier, Warwick Smith was appointed Interim President and Interim CEO of the Company from November 23, 2022 to February 15, 2023 when Morgan Lekstrom resigned as the President and CEO of the Company on November 23, 2022. Subsequently, Peter A. Ball was appointed the new President and CEO of the Company on February 15, 2023, replacing Warwick Smith.

Compensation Discussion and Analysis

The board of directors (the “Board”) of the Company has appointed a Compensation Committee whose responsibility relates to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure and equity-based compensation programs, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives.

The Compensation Committee makes recommendations to the Board and the Board then assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company.

On September 27, 2023, Joness Lang, a former director of the Company and the former Chair of the Compensation Committee, resigned. On February 23, 2024, the Company reconstituted its Compensation Committee and appointed Donald Birak (Chair), Lawrence Roulston and Ron Burk as members. All members of the Compensation Committee are considered independent.

The Compensation Committee possesses the technical understanding needed to determine the value of a candidates’ skill set through applied practical analysis and cross-referenced compensation of closely matched executives in similar fields.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

The Company's Compensation Committee Charter and Corporate Governance Committee Charter were filed on SEDAR+ on February 24, 2023, at www.sedarplus.com.

Philosophy and Objectives

The Company's compensation policies and programs are designed to be competitive with similar mining exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executives; and (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its stock option plan (the "**Option Plan**") which was approved by the Board on September 17, 2021 and by the shareholders of the Company at the annual general meeting held on March 29, 2023.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation has been accomplished through the issuance of founder's shares and the granting of Options. Options are granted to executives and employees taking into account a number of factors, including the amount and term of Options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of Options granted are determined by the Board in consultation with the Compensation Committee.

Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

The Option Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes Option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All Option grants require approval of the Board.

The 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.

Summary Compensation Table

Name and Principal Positions	Year ⁽¹⁾	Fees (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Peter A. Ball ⁽²⁾ President and CEO	2023	\$175,000	Nil	\$145,992	Nil	Nil	Nil	Nil	\$320,992
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Nil
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Nil
Warwick Smith ⁽³⁾ Former Interim President and former Interim CEO	2023	\$37,500	Nil	\$31,145	Nil	Nil	Nil	Nil	\$68,645
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Morgan Lekstrom ⁽⁴⁾ Former President and former CEO	2023	\$37,500	Nil	Nil	Nil	Nil	Nil	Nil	\$37,500
	2022	\$175,000	Nil	Nil	Nil	Nil	Nil	Nil	\$175,000
	2021	\$65,417	N/A	\$90,691	N/A	N/A	N/A	N/A	\$156,108
Alnesh Mohan ⁽⁵⁾ CFO and Secretary	2023	\$145,773	Nil	\$36,011	Nil	Nil	Nil	Nil	\$181,784
	2022	\$136,380	Nil	Nil	Nil	Nil	Nil	Nil	\$136,380
	2021	\$72,020	N/A	\$73,047	N/A	N/A	N/A	N/A	\$145,067

(1) For the financial years ended September 30.

(2) Mr. Ball has served as CEO, President and a director of the Company since February 15, 2023.

(3) Mr. Smith served as the Interim President and Interim CEO of the Company from November 23, 2022 to February 15, 2023.

- (4) Mr. Lekstrom served as President of the Company from June 24, 2021 to November 23, 2022 and as CEO from October 14, 2021 to November 23, 2022.
- (5) Mr. Mohan has served as CFO and a director of the Company since May 14, 2021 and as Corporate Secretary of the Company since October 14, 2021.

Incentive Plan Awards

Pursuant to the Option Plan, the Company may grant up to 10% of the issued and outstanding common shares of the Company.

The following table sets out all Option-based awards outstanding as at the financial year ended September 30, 2023 for each NEO. There were no share-based awards granted to any of the NEOs:

Option-based Awards				
Name and Principal Positions	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options (\$) ⁽¹⁾
Peter A. Ball President and CEO	750,000	0.24	February 15, 2028	Nil
Warwick Smith Former Interim President and former Interim CEO	200,000 160,000	\$0.62 \$0.24	June 16, 2026 February 15, 2028	Nil
Morgan Lekstrom Former President and former CEO	N/A	N/A	N/A	N/A
Alnesh Mohan CFO and Secretary	200,000 185,000	0.62 0.24	June 16, 2026 February 15, 2028	Nil Nil

- (1) This amount is based on the difference between the market value of the securities underlying the Options on September 30, 2023, which was \$0.15, being the last trading day of the Company's shares for the financial year and the exercise price of any outstanding Options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested during the financial year ended September 30, 2023 for Options awarded under the Option Plan for the NEO, as well as the value earned under non-equity incentive plans for the same period.

Name	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Peter A. Ball President and CEO	\$145,992	Nil	Nil
Warwick Smith Former Interim President and former Interim CEO	\$31,145	Nil	Nil
Morgan Lekstrom Former President and former CEO	Nil	Nil	Nil
Alnesh Mohan CFO and Secretary	\$36,011	Nil	Nil

Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control.

On February 15, 2013, the Company entered into an agreement (the "Ball Agreement") with Peter A. Ball, the CEO

and a director of the Company. Pursuant to the Ball Agreement, Mr. Ball is entitled to an amount equal to 12 months' of his base fee, plus three additional months of his base fee for each full year of service (pro-rated for any partial year of service and rounded up) after the effective date, up to a maximum of 24 months' of his base fee (the "**Termination Fee**") and any outstanding Options will expire and will cease to be exercisable 90 days following the date of termination. Additionally, if a Change of Control Event occurs, and the Ball Agreement is terminated for any reason during the Change of Control Period (excluding termination for Just Cause), or Mr. Ball terminates the Ball Agreement for Good Reason during the Change of Control Period, the Company is required to pay Mr. Ball one and one half (1.5) times the Termination Fee that is payable to Mr. Ball pursuant to section 5.3(c) of the Ball Agreement.

On June 22, 2021, the Company entered into an agreement (the "**Mohan Agreement**") with Alnesh Mohan, the CFO and Corporate Secretary of the Company. Pursuant to the Mohan Agreement, if the Company terminates the Mohan Agreement without cause, and such termination occurs either prior to 6 months before or after 12 months following a Change of Control or a Fundamental Transaction effective no later than 30 days following the termination, then Mr. Mohan is entitled to receive a lump sum termination fee equal to 12 months of the service fees, as in effect immediately prior to the termination date of the Mohan Agreement.

On November 23, 2022, the Company entered into a termination agreement with Morgan Lekstrom, the former President and CEO of the Company whereby the Company agreed to pay Mr. Lekstrom all outstanding and accrued salary owing up to the termination date, any accrued holiday pay.

On April 24, 2023, the Company entered into a termination agreement with Harbourside Consulting Corp., a company owned and controlled by Warwick Smith, the former Interim President and Interim CEO, pursuant to the consulting agreement dated June 1, 2022. Mr. Smith's services terminated May 31, 2023.

Director Compensation

During the most recently completed financial year ended September 30, 2023, the directors who were not NEOs received the following compensation for services provided to the Company:

Name	Fees earned (\$)	Share-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Lawrence Roulston ⁽¹⁾	Nil	Nil	Nil	Nil	\$36,011	\$36,011
Ron Burk ⁽²⁾	Nil	Nil	Nil	Nil	\$36,011	\$36,011
Donald Birak ⁽³⁾	Nil	Nil	Nil	Nil	Nil	Nil
Joness Lang ⁽⁴⁾	Nil	Nil	Nil	Nil	\$36,011	\$36,011

- (1) Mr. Roulston has served as a director of the Company since September 20, 2021.
- (2) Mr. Burk has served as a director of the Company since November 4, 2021.
- (3) Mr. Birak has served as a director of the Company since September 27, 2023.
- (4) Mr. Lang served as a director of the Company from December 10, 2020 to September 27, 2023.

Outstanding Option-Based Awards

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended September 30, 2023, including awards granted before the most recently completed financial year.

Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Lawrence Roulston	300,000	0.62	June 16, 2023	Nil
	185,000	0.24	February 15, 2028	Nil
Ron Burk	200,000	0.62	June 16, 2026	Nil
	185,000	0.24	February 15, 2028	Nil

Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Donald Birak	185,000	0.24	March 15, 2028	Nil
Joness Lang	200,000 185,000	0.62 0.24	June 16, 2026 February 15, 2028	Nil Nil

(1) This amount is based on the difference between the market value of the securities underlying the Options on September 30, 2023, which was \$0.15, being the last trading day of the Company's shares for the financial year and the exercise price of any outstanding Options.

Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, for involvement in special assignments during the most recently completed financial year.

The purpose of granting such Options is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year ended September 30, 2023.

Name	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Lawrence Roulston	\$36,011	Nil	Nil
Ron Burk	\$36,011	Nil	Nil
Donald Birak	Nil	Nil	Nil
Joness Lang	\$36,011	Nil	Nil

ADDITIONAL INFORMATION

Additional information concerning the Company can be found on SEDAR+ at www.sedarplus.ca and on the Company's website at <https://www.silverhammermining.com/>.

Financial information relating to the Company is provided in the Company's audited financial statements and the management discussion and analysis ("MD&A") for the financial year ended September 30, 2023. Shareholders may download the financial statements and MD&A from SEDAR+ (www.sedarplus.ca) or contact the Company directly to request copies of the financial statements and MD&A by: mail to Suite 400 – 1681 Chestnut Street, Vancouver, BC, V6J 4M6; or fax to 604.737.1140. Additional financial information concerning the Company may be obtained by any shareholder free of charge by contacting the Company at 604.737.2303.