

SCHEDULE “A”
Form 51-102F6
Statement of Executive Compensation
(for the financial year ended December 31, 2015)

GRAY ROCK RESOURCES LTD.

For purposes of this Statement of Executive Compensation, “named executive officer” of the Company means an individual who, at any time during the year, was:

- (a) the Company’s chief executive officer (“CEO”);
 - (b) the Company’s chief financial officer (“CFO”);
 - (c) each of the Company’s three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the most recently completed financial year and whose total salary and bonus exceeded \$150,000; and
 - (d) any additional individuals for whom disclosure would have been provided under (c) except that the individuals was not serving as an officer of the Company at the end of the most recently completed financial year;
- each a “Named Executive Officer” (“NEO”).

Based on the foregoing definition, during the last completed fiscal year of the Company, there were two (2) NEOs, namely, its President and CEO, David Wolfen and its CFO, Malcolm Davidson.

1) COMPENSATION DISCUSSION AND ANALYSIS

The Company does not have a compensation program other than paying base salaries, incentive bonuses, and incentive stock options to the NEOs, based upon the recommendations of the Compensation Committee. The Company and its Compensation Committee recognize the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive’s level of responsibility. The objectives of base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The objectives of incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. No incentive bonuses were paid to executive officers and employees during the most recently completed fiscal year. The objectives of the stock option are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Company. Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company’s Compensation Committee.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm’s length services providers.

The process for determining executive compensation relies solely on Board discussions with the input from and upon the recommendations of the Compensation Committee, without any formal objectives criteria and analysis.

Actual compensation will vary based on the performance of the executives relative to the achievement of goals and the price of the Company’s securities.

Compensation Element	Description	Compensation Objectives
Annual Base Salary	Salary is market-competitive, fixed level of compensation	Retain qualified leaders, motivate strong business performance
Incentive Bonuses	Discretionary cash payment	Reward individual performance in achieving corporate goals
Incentive Stock Option	Equity grants are made in the form of stock options. The amount of grant will be dependent on individual and corporate performance	Reward long-term financial and operating performance and align interests of key employees with those of shareholders

2) SUMMARY COMPENSATION TABLE

The following table sets forth particulars concerning the compensation paid or accrued for services rendered to the Company in all capacities during the last three most recently completed financial years ended December 31 of the Company to its NEOs:

Name and principal position	Year	Salary (\$)	Share-based awards (\$) ¹	Option-based awards (\$) ^{2 4}	Non-equity incentive plan compensation (\$) ³	Pension value (\$) ³	All other compensation (\$)	Total compensation (\$)
DAVID WOLFIN President, CEO and Director	2015	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2014	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	2013	NIL	NIL	NIL	NIL	NIL	NIL	NIL
MALCOLM DAVIDSON CFO	2015	\$6,763	NIL	NIL	NIL	NIL	NIL	\$6,763
	2014	\$3,543	NIL	NIL	NIL	NIL	NIL	\$3,543
	2013	10,733	NIL	NIL	NIL	NIL	NIL	\$10,733

¹ The Company does not currently have any share-based award plans.

² The methodology used to calculate the grant date fair value is the last closing price of the Company's Listed Shares before the date of the stock option grant less the exercise price, based on the Black-Scholes Option Pricing Model. The Company used the following assumptions in the model to determine the award recorded above: Dividend Yield – Nil; Expected Life – N/A; Volatility – N/A; Risk Free Interest Rate – N/A.

³ The Company does not have any non-equity incentive plans or any pension plans.

⁴ No incentive stock options have been granted during financial year ended December 31, 2015.

Annual Base Salary

Base Salary for the NEOs are determined by the Board upon the recommendation of the Compensation Committee and its recommendations are reached primarily by comparison of the remuneration paid by other reporting issuers with the same size and industry and with publicly available information on remuneration that the Compensation Committee feels is suitable.

The Annual Base Salary paid to the NEOs shall, for the purpose of establishing appropriate increases, be reviewed annually by the Board upon the recommendation of the Compensation Committee thereof as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the Board and Compensation Committee thereof.

Non-Equity Incentive Plan Compensation

One of the three components of the Company's compensation package is a discretionary annual cash bonus, paid to recognize individual performance in attaining corporate goals and objectives. The Company does not have a long-term incentive plan.

Option Based Awards

An Option Based Award is in the form of the grant of an incentive stock option. The objective of the incentive stock option is to reward NEOs', employees' and directors' individual performance at the discretion of the Board of directors upon the recommendation of the Compensation Committee. The plan currently used by the Company is its 2009 Stock Option Plan (the "Plan"), under which stock options have been granted and may be granted to purchase a number equal to 10% of the Company's issued capital from time to time. For details of the Plan please refer to "Particulars of Matters to be Act Upon" in the Information Circular.

The Plan is administered by the Compensation Committee. The process the Company uses to grant option-based awards to NEOs is based upon the recommendations of the Compensation Committee to the Board of Directors.

The role of the Compensation Committee is to recommend to the Board the compensation of the Company's directors and the NEOs which the Committee feels is suitable.

As of December 31, 2015, no stock options have been granted under the Plan. All previous grants of option-based awards are taken into account when considering new grants.

3) INCENTIVE PLAN AWARDS

Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the NEOs to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year ended December 31, 2015:

	Option-based Awards				Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards not paid out or distributed (\$)
David Wolfen President, CEO & Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Malcolm Davidson ⁽²⁾ CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ No incentive stock options have been granted during financial year ended December 31, 2015.

Incentive plan awards – value vested or earned during the year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended December 31, 2015:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David Wolfen President, CEO & Director	N/A	N/A	N/A
Malcolm Davidson CFO	N/A	N/A	N/A

⁽¹⁾ No incentive stock options have been granted during financial year ended December 31, 2015.

4) PENSION PLAN BENEFITS

No pension plan or retirement benefit plans have been instituted by the Company and none are proposed at this time.

5) TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company did not have, at the end of its most recently completed fiscal year, any employment contracts with the executive officers under which there are any specified provisions for termination of employment or change in responsibilities.

6) DIRECTOR COMPENSATION

The following table sets forth the value of all compensation paid to the directors in their capacity as directors during the most recently completed financial year ended December 31, 2015:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$ (1))	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Lee Ann* Wolfin	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Randy* Polischuk	NIL	NIL	NIL	NIL	NIL	NIL	NIL
David** Wolfin	NIL	NIL	NIL	NIL	NIL	NIL	NIL

*Independent & Non-Employee Directors

**CEO's, see Summary Compensation Table above

(1) No incentive stock options have been granted to non-employee directors during the financial year ended December 31, 2015.

No director of the Company who is not a Named Executive Officer has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as Directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of Directors in their capacity as Directors except for the granting of stock options; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

The Company may grant incentive stock options to Directors of the Company from time to time pursuant to the stock option plan of the Company and in accordance with the policies of the TSX Venture Exchange (the "TSX-V").

Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the directors to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year ended December 31, 2015:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) ⁽¹⁾	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$) ⁽¹⁾	Market or payout value of share-based awards not paid out or distributed (\$)
Lee Ann Wolfin	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Randy Polischuk	NIL	NIL	NIL	NIL	NIL	NIL	NIL

⁽¹⁾ No incentive stock options have been granted during financial year ended December 31, 2015.

Incentive plan awards – value vested or earned during the year

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An “incentive plan award” means compensation awarded, earned, paid or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to directors during the most recently completed financial year ended December 31, 2015:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Lee Ann Wolfin	NIL	NIL	NIL
Randy Polischuk	NIL	NIL	NIL

⁽¹⁾ No incentive stock options have been granted during financial year ended December 31, 2015.