

LUCA MINING CORP.
(the “Company”)

FORM 51-102F6
STATEMENT OF EXECUTIVE COMPENSATION
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2023

Introduction

The following information, dated as of June 26, 2024, is presented in accordance with Form 51-102F6 – *Statement of Executive Compensation* to provide information about the Company’s executive compensation in respect of the financial year ended December 31, 2023.

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

- (a) a Chief Executive Officer of the Company (“**CEO**”);
- (b) a Chief Financial Officer of the Company (“**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 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.

During the financial year ended December 31, 2023, the NEOs of the Company were:

- Mike Struthers - CEO from September 12, 2022 to February 27, 2024;
- Erick Underwood - Former CFO from February 1, 2023 to March 17, 2023;
- Omar Garcia Abrego - Former CFO from May 19, 2016 to February 1, 2023 and Interim CFO from March 17, 2023 to January 2, 2024;
- Ramon Perez - President since March 27, 2023 and Interim CEO since February 27, 2024;
- Ralph Shearing - Former President from January 14, 2004 to March 27, 2023;
- Armando Alexandri - Chief Operating Officer (“**COO**”) since December 3, 2021; and
- Chris Richings – Vice President Technical (“**VP Technical**”) since October 2, 2023.

Compensation Discussion and Analysis

Compensation, Philosophy and Objectives

The Company does not have a formal compensation program; however, it has established a Compensation & Nominations Committee to assist the Board of Directors of the Company (the “**Board**”) in fulfilling its responsibility by reviewing matters relating to the human resource policies and

compensation of the directors, officers and employees of the Company and its subsidiaries in the context of the budget and business plan of the Company. The Compensation & Nominations Committee meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis.

The general objectives of the Company's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value; (b) align management's interests with the long term interest of shareholders; (c) provide a compensation package that is commensurate with other mining companies to enable the Company to attract and retain talent; and (d) to ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a company without a long history of revenues.

The Compensation & Nominations Committee ensures that total compensation paid to all NEOs is fair and reasonable. The Compensation & Nominations Committee relies on the experience of its members as officers and directors with other mining companies in assessing compensation levels.

The Compensation & Nominations Committee did not consider the implications of the risks associated with the Company's compensation practices; however, given the Company's size and nature of compensation provided to its executives in the last financial year, the Compensation & Nominations Committee does not view significant risk that would be likely to have a material adverse effect on the Company.

The Company's management is not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities of the Company granted as compensation or held, directly or indirectly, by management.

Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his or her responsibilities to the best of his or her ability and in the best interests of the Company.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to directors, officers, consultants and employees at the commencement of employment and periodically thereafter. The Company's Omnibus Equity Incentive Plan (the "**Omnibus Plan**") was last approved on October 30, 2023, at the Company's annual general and special meeting of shareholders.

Long Term Compensation and Option Based Awards

The Company has no long-term incentive plans other than the Omnibus Equity Incentive Plan. The Company's directors, officers, consultants and employees are entitled to participate in the Omnibus Plan. The Omnibus Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Omnibus Plan aligns the interests of the NEO and the Board with shareholders by linking a component of executive compensation to the longer-term performance of the Company's common shares.

The Compensation & Nominations Committee makes recommendations to the Board about granting options. The Board reviews the recommendations and determines whether to approve the option grants. In monitoring or adjusting the option allotments, the Board considers its own observations on

individual performance (where possible) and its assessment of individual contributions to shareholder value, previous option grants and the objectives set for the NEOs and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- parties who are entitled to participate in the Omnibus Plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than prescribed discount permitted by the TSX Venture Exchange (the “**Exchange**” or “**TSX-V**”) from the market price on the date of grant;
- the date on which each option is granted;
- the vesting period, if any, for each stock option;
- the other material terms and conditions of each stock option grant; and
- any re-pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Omnibus Plan. The Board reviews and approves grants of options recommended by the Compensation & Nominations Committee on an annual basis and periodically during a financial year.

Pursuant to the Omnibus Plan, the Board grants options to directors, officers, consultants and employees as incentives. The level of stock options awarded to a NEO is determined by his or her position and potential future contributions to the Company. The exercise price of stock options is determined by the Board but shall in no event be less than the trading price of the common shares of the Company on the Exchange at the time of the grant of the option.

Compensation Governance

The Compensation & Nominations Committee determines an appropriate amount of compensation for its executives, reflecting the need to provide incentive and compensation for the time and effort expended by the executives while considering the financial and other resources of the Company. The current Compensation & Nominations Committee consists of Mr. David Rhodes (Chair), Mr. Ruben Alvidrez Ortega and Mr. Rory Godinho.

The role of the Compensation & Nominations Committee is to assist the Board in fulfilling its responsibility by reviewing matters relating to the human resource policies and compensation of the directors, officers and employees of the Company and its subsidiaries within the context of the budget and business plan of the Company when applicable. This includes matters such as compensation philosophy and remuneration policy, Board retainer fees, performance objectives and evaluation of the CEO and President, compensation and benefit package for senior officers, proposed stock option or share purchase plans, bonuses, and the annual disclosure of compensation information as required by securities law.

The Compensation & Nominations Committee bears in mind the stage of development of the Company, the small number of executive officers and financial resources of the Company. These factors influence both the elements of compensation and the sophistication of the manner of their determination.

It is the objective of the Company’s compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. The

Compensation & Nominations Committee's goal is to endeavour to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Compensation & Nominations Committee considers the Company's contractual obligations, performance, quantitative financial objectives, including relative shareholder return, as well to the qualitative aspects of each individual's performance and achievements.

The Company's compensation program is comprised of base salary and benefits and long-term incentives, including the Omnibus Plan.

Compensation of Directors

An annual retainer and fees for Board and Committee service are paid or accrued on a quarterly basis to independent and non-executive directors only. Directors are also reimbursed for reasonable expenses incurred to attend meetings.

Each of the Company's directors is also expected to receive Options under the Omnibus Plan at an exercise price determined in accordance with the Omnibus Plan, and vesting in accordance with the terms of the Omnibus Plan.

Summary Compensation Table

The following table sets out information concerning the compensation paid to each of the Company's NEOs and directors, excluding compensation securities, for the Company's two most recently completed financial years.

Table of Compensation (excluding compensation securities)							
Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total Compensation
Ramon Perez⁽¹⁾ President and Interim CEO	2023	\$145,728	Nil	N/A	Nil	Nil	\$145,728
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Mike Struthers⁽²⁾ Former CEO and Director	2023	\$348,000	Nil	N/A	Nil	Nil	\$348,000
	2022	\$130,500	Nil	N/A	Nil	Nil	\$130,500
Omar Garcia Abrego⁽³⁾ Former CFO	2023	\$184,260	\$9,645	N/A	Nil	\$101,850	\$295,755
	2022	\$234,480	Nil	N/A	Nil	Nil	\$234,480
Ralph Shearing⁽⁴⁾ Former President, Corporate Secretary and Director	2023	\$225,000	N/A	N/A	N/A	\$100,000	\$325,000
	2022	\$332,219	N/A	N/A	N/A	N/A	\$332,219
Armando Alexandri COO	2023	\$163,532	Nil	N/A	Nil	Nil	\$163,532
	2022	\$163,263	Nil	N/A	Nil	Nil	\$163,263
Chris Richings⁽⁵⁾ VP Technical	2023	\$61,086	Nil	N/A	Nil	Nil	\$61,086
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Enrique Margalef Vergara⁽⁶⁾ Former Director of Administration and Finances Mexico	2023	\$138,318	Nil	N/A	Nil	\$78,393	\$216,711
	2022	\$210,366	\$10,300	N/A	Nil	Nil	\$220,666
David Rhodes Director and Chairman	2023	\$100,000 ⁽¹⁴⁾	Nil	Nil	Nil	Nil	\$100,000
	2022	\$162,500	Nil	Nil	Nil	Nil	\$162,500
Roberto Guzmán Garcia Director	2023	\$40,000 ⁽¹⁴⁾	Nil	Nil	Nil	Nil	\$40,000
	2022	\$31,000	Nil	Nil	Nil	Nil	\$31,000
Ruben Alvidrez Ortega⁽⁷⁾ Projects Manager and Director	2023	\$177,245	Nil	Nil	Nil	Nil	\$177,245
	2022	\$85,495	Nil	Nil	Nil	Nil	\$85,495
Neil O'Brien⁽⁸⁾ Director	2023	\$36,685 ⁽¹⁴⁾	Nil	Nil	Nil	Nil	\$36,685
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Phil S. Brumit Sr. ⁽⁹⁾ Director	2023	\$39,507 ⁽¹⁴⁾	Nil	Nil	Nil	Nil	\$39,507
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Rory Godinho⁽¹⁰⁾ Director	2023	\$55,808 ⁽¹⁴⁾	Nil	Nil	Nil	Nil	\$55,808
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Natascha Kiernan⁽¹¹⁾ Former Director	2023	\$20,518	Nil	Nil	Nil	Nil	\$20,518
	2022	\$121,875	Nil	Nil	Nil	Nil	\$121,875
Mark Bailey⁽¹²⁾ Former Director	2023	\$59,053	Nil	Nil	Nil	Nil	\$59,053
	2022	\$121,875	Nil	Nil	Nil	Nil	\$121,875

Tom Kelly⁽¹³⁾ Former Director	2023	\$34,856	Nil	Nil	Nil	Nil	\$34,856
	2022	\$105,625	Nil	Nil	Nil	Nil	\$105,625

Notes:

- (1) Ramon Perez was appointed President of the Company on March 27, 2023 and Interim CEO of the Company on February 27, 2024.
- (2) Mr. Struthers resigned as CEO of the Company effective February 27, 2024. Mr. Struthers did not receive compensation for his services as director of the Company.
- (3) Mr. Omar Garcia Abrego ceased to be the CFO of the company effective February 1, 2023 and re-appointed Interim CFO on March 17, 2023 under a consultant agreement. He received a severance payment of \$101,850 upon termination of his Executive Employment agreement.
- (4) Ralph Shearing ceased to be the President of the Company effective March 27, 2023 and ceased to be Corporate Secretary on December 30, 2023. Mr. Shearing received a severance pay of \$100,000 upon termination of his Executive Employment agreement. Mr. Shearing provided services to the Company under a consultant agreement, as an independent consultant from July 1, 2023 to December 30, 2023. Mr. Shearing ceased to be a director of the Company on December 13, 2023. He did not receive compensation for his services as director of the Company.
- (5) Chris Richings was appointed as VP Technical of the Company on October 2, 2023.
- (6) Mr. Margalef Vergara ceased to be the Director of Administration and Finances Mexico on June 15, 2023. He received a severance payment of \$78,393 upon termination.
- (7) Mr. Alvidrez Ortega did not receive compensation for his services as director of the Company.
- (8) Niel O'Brien was appointed director of the Company on June 8, 2023.
- (9) Phil S. Brumit Sr. was appointed director of the Company on June 8, 2023.
- (10) Rory Godinho was appointed director of the Company on March 14, 2023.
- (11) Natasha Kiernan ceased to be a director of the Company on March 14, 2023.
- (12) Mark Bailey ceased to be a director of the Company on June 8, 2023.
- (13) Tom Kelly ceased to be a director of the Company on March 14, 2023.
- (14) The Directors' fees for 2023 were paid in 2024.

Options and Other Compensation Securities

The following table sets out information concerning compensation securities granted or issued to each NEO and director by the Company for the financial year ended December 31, 2023.

Compensation Securities							
Name and position(s)	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ^{(1) (2)}	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
Ramon Perez President and Interim CEO	Options	250,000 (3.7%)	2023-04-23	\$0.45	\$0.45	\$0.31	2028-04-25
Mike Struthers⁽³⁾ Former CEO and Director	Options	277,778	2023-04-23	\$0.45	\$0.45	\$0.31	2024-12-31
	Options	500,000 (11.6%)	2023-06-08	\$0.455	\$0.46		2024-12-31
Omar Garcia Abrego⁽⁴⁾ Former CFO	Options	100,000 (1.5%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Ralph Shearing⁽⁵⁾ Former President, Corporate Secretary, and Director	Options	300,000 (4.5%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07

Compensation Securities							
Name and position(s)	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾ (2)	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
Armando Alexandri ⁽⁶⁾ COO	Options	300,000 (4.5%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Chris Richings VP Technical	Options	200,000 (3%)	2023-10-05	\$0.35	\$0.24	\$0.31	2028-10-04
David Rhodes ⁽⁷⁾ Director and Chairman	Options	350,000 (5.2%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Roberto Guzmán García ⁽⁸⁾ Director	Options	250,000 (3.7%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Ruben Alvidrez Ortega ⁽⁹⁾ Projects Manager and Director	Options	300,000 (4.5%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Neil O'Brien Director	Options	250,000 (3.7%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Phil S. Brumit Sr. Director	Options	250,000 (3.7%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07
Rory Godinho ⁽¹⁰⁾ Director	Options	400,000 (6%)	2023-06-08	\$0.455	\$0.46	\$0.31	2028-06-07

Notes:

- (1) The options granted to each NEO and director above vest as follows: (i) 33% vesting on the grant date; (ii) 33% vesting on six months after the grant date; and (iii) 33% vesting 12 months after the grant date.
- (2) As at December 31, 2023, a total of 6,661,320 Options were outstanding.
- (3) Mr. Struthers also holds 112,500 options granted on December 5, 2022 at an exercise price of \$0.72 which expire on December 31, 2024.
- (4) Mr. Garcia Abrego also holds 100,000 options granted on February 26, 2021 at an exercise price of \$0.50 which expire on February 25, 2026.
- (5) Mr. Shearing also holds 125,000 options granted on February 26, 2021 at an exercise price of \$0.50 which expire on February 25, 2026.
- (6) Mr. Alexandri also holds 62,500 options granted on February 26, 2021 at an exercise price of \$0.50 which expire on February 25, 2026.
- (7) Mr. Rhodes also holds 62,500 options granted on May 19, 2021 at an exercise price of \$0.50 which expire on May 19, 2026.
- (8) Mr. Guzman Garcia also holds 62,500 options granted on February 26, 2021 at an exercise price of \$0.50 which expire on February 25, 2026.
- (9) Mr. Alvidrez Ortega also holds 12,500 options granted on August 6, 2020 at an exercise price of \$0.50 which expire on August 6, 2025; and 50,000 options granted on February 26, 2021 at an exercise price of \$0.50 which expire on February 25, 2026.
- (10) Mr. Godinho also holds 16,667 options granted on February 26, 2021 at an exercise price of \$0.50 which expire on February 25, 2026.

Exercise of Compensation Securities by Directors and NEOs

None of the NEOs or directors of the Company exercised any compensation securities during the financial year ended December 31, 2023.

Omnibus Equity Incentive Plan

The Company's Omnibus Plan was last approved by shareholders on October 30, 2023 at the Company's annual general and special meeting of shareholders.

The purpose of the Omnibus Plan is, among other things, to promote a significant alignment between directors, officers, employees and consultants of the Company (collectively "Participants") and the long term growth objectives of the Company; to associate a portion of participants' compensation with the performance of the Company over the long term; and to attract, motivate and retain the key participants to drive the business success of the Company and its subsidiaries.

The Omnibus Plan allows the grant of stock options ("Options"), restricted share units ("RSUs") and performance share units ("PSUs" and together with RSUs, "Share Units") settled in common shares (or, at the election of the Company, their cash equivalent). In addition, under the Omnibus Plan, the Company is able to grant deferred share units ("DSUs") to non-employee members of the Board and its designated affiliates.

Eligibility

All employees and directors of the Company or its designated affiliates are eligible to participate in the Omnibus Plan. In addition, subject to applicable laws, the Board may determine, in its discretion, which consultants are eligible to participate in the Omnibus Plan. However, PSUs may not be granted to non-employee directors of the Company or its designated affiliates and RSUs and PSUs may not be granted to consultants of the Company or its designated affiliates.

In addition, any Participants under the Omnibus Plan who are "Investor Relations Service Providers" (as defined in the policies of the TSX-V) are not eligible to receive RSUs, PSUs (as defined herein) or DSUs (as defined herein).

Common Shares Subject to the Omnibus Plan and Limitation on Awards

The maximum number of common shares available for issuance pursuant to the Omnibus Plan and any other security-based compensation arrangement of the Company shall not exceed 10% of the issued and outstanding common shares from time to time.

The Omnibus Plan is also subject to the following limitations:

- (a) the aggregate number of common shares issuable to "Insiders" (as defined in the policies of the TSX-V) of the Company under the Omnibus Plan or any other security-based compensation arrangement of the Company shall not exceed 10% of the issued and outstanding common shares and the aggregate number of common shares issuable to Insiders of the Company under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not exceed 10% of the issued and outstanding common shares as at the date any award is granted to any Insider of the Company (unless the Company has obtained disinterested shareholder approval in respect thereof);
- (b) the aggregate number of common shares issuable to any one Participant under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-

year period, shall not at any time exceed 5% of the issued and outstanding common shares as at the date any award is granted to the Participant (unless the Company has obtained disinterested shareholder approval in respect thereof);

- (c) the aggregate number of common shares issuable to any one consultant under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not at any time exceed 2% of the issued and outstanding common shares as at the date any award is granted to the consultant; and
- (d) the aggregate number of common shares issuable to all persons retained to provide investor relations activities under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not at any time exceed 2% of the issued and outstanding common shares as at the date any award is granted to the persons retained to provide investor relations activities.

Stock Options

The Board may grant stock options to any Participant under the Omnibus Plan at any time. The exercise price for stock options will be determined by the Board, but may not be less than the Discounted Market Price (as defined below, and, in the event that the common shares are not listed and posted for trading on any stock exchange, the fair market value of the common shares as determined by the Board in its sole and absolute discretion (the “Market Value”) on the date the stock option is granted). For the purposes of the Omnibus Plan the “Discounted Market Price” means if the common shares are listed only on the TSX-V, the Market Value, less the maximum discount permitted under the TSX-V policy applicable to stock options. Stock options must be exercised within a period fixed by the Board that may not exceed 10 years from the date of grant, except in a case where the expiry period falls during a blackout period, in which case the expiry period will be automatically extended until 10 business days after the end of the blackout period.

Subject to the terms of the Omnibus Plan and any option agreement, stock options granted under the Omnibus Plan may also be purchased by a Participant by way of a “cashless exercise method”, whereby the Company may have an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase common shares underlying the stock options. The brokerage firm then sells a sufficient number of common shares to cover the exercise price of the stock options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of common shares from the exercise of the stock options and the Participant then receives the balance of common shares or the cash proceeds from the balance of such common shares.

The Omnibus Plan also provides for earlier termination of stock options on the occurrence of certain events, including but not limited to, termination of a Participant’s employment.

Options granted to Investor Relations Service Providers must be vested in stages over a period of not less than 12 months with no more than $\frac{1}{4}$ of the stock options vesting in any three-month period.

Restricted Share Units

The Board may grant RSUs to any Participant (other than consultants) under the Omnibus Plan at any time. The terms and conditions of grants of Share Units, including the quantity, type of award, award date, vesting conditions, applicable vesting periods (the time period of which may be no earlier than one year following the award date, except as provided for in the Omnibus Plan) and other terms and conditions with respect to the award, as determined by the Board, will be set out in such Participant’s RSU agreement. One RSU is equivalent to one common share.

An RSU account will be maintained for each Participant and each notional grant of RSUs, as granted to such Participant from time to time, will be credited to such Participant's account. RSUs that fail to vest with respect to a Participant, or that are paid out to the Participant are cancelled and will be removed from such Participant's account.

Upon the vesting and settlement of RSUs, the Company is entitled to elect, at the Board's sole discretion, to settle vested RSUs for their cash equivalent, common shares or a combination thereof. For purposes of determining the cash equivalent of RSUs on settlement, such calculation will be made on the settlement date based on the Market Value on the settlement date multiplied by the number of vested RSUs in the Participant's notional RSU account. For the purposes of determining the number of common shares from treasury to be issued and delivered to a Participant upon settlement of RSUs, such calculation will be made on the settlement date based on the whole number of common shares equal to the whole number of vested RSUs then recorded in the Participant's notional RSU account. If an RSU would otherwise expire during a blackout period, the term of such RSU shall automatically be extended until 10 business days after the end of the blackout period, however, in all cases, RSUs shall expire and be settled by no later than December 31 of the third calendar year commencing after the date of award.

Performance Share Units

The Board may grant PSUs to any Participant (other than non-employee directors and consultants) under the Omnibus Plan at any time. The terms and conditions of grants of PSUs, including the quantity, type of award, award date, vesting conditions, applicable vesting periods (which may be no earlier than one year following the award date, except as provided for in the Omnibus Plan) and other terms and conditions with respect to the award, as determined by the Board, will be set out in such Participant's PSU agreement. PSUs are subject to the attainment of performance goals and may become vested PSUs based on a multiplier, which may be greater or less than 100%, subject to such percentage being no greater than 200%. A PSU account will be maintained for each Participant and each notional grant of PSUs, as granted to such Participant from time to time, will be credited to such Participant's account. PSUs that fail to vest with respect to a Participant, or that are paid out to the Participant are cancelled and will be removed from such Participant's account.

Upon the vesting and settlement of PSUs, the Company is entitled to elect, in the Board's sole discretion, to settle vested PSUs for their cash equivalent, common shares or a combination thereof. For purposes of determining the cash equivalent of PSUs on settlement, such calculation will be made on the settlement date based on the Market Value on the settlement date multiplied by the number of vested PSUs in the Participant's notional PSU account. For the purposes of determining the number of common shares from treasury to be issued and delivered to a Participant upon settlement of PSUs, such calculation will be made on the settlement date based on the whole number of common shares equal to the whole number of vested PSUs then recorded in the Participant's notional PSU account. If a PSU would otherwise expire during a blackout period, the term of such Share Unit shall automatically be extended until 10 business days after the end of the blackout period, however, in all cases, Share Units shall expire and be settled by no later than December 31 of the third calendar year commencing after the date of award.

If the performance goals in respect of the vesting of PSUs determined by the Board at the time of granting the award with respect to a fiscal year are not met during such fiscal year, the PSUs which were scheduled to vest at the end of such fiscal year shall expire. Performance goals may be based upon the achievement of corporate, divisional, cluster or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Board which may be measured over a specified period and may have a multiplier effect based on the level of achievement.

Deferred Share Units

The Board may grant DSUs to any DSU Participant (being a non-employee director of the Company) under the Omnibus Plan at any time. In addition, subject to Board approval, a DSU Participant may elect, once each fiscal year, to be paid up to 100% of his or her annual board retainer (including any committee fees, attendance fees and retainers to committee chairs) in the form of DSUs with the balance, if any, being paid in cash in accordance with the Company's regular practices. A DSU Participant is entitled to terminate his or her participation in the Omnibus Plan.

One DSU is equivalent to one common share. Fractional DSUs are permitted under the Omnibus Plan. The number of DSUs granted at any particular time pursuant to the Omnibus Plan will be calculated by: (a) in the case of an elected amount by a DSU Participant, dividing (i) the dollar amount of the elected amount by (ii) the Market Value of a common share on the applicable award date; or (b) in the case of a grant of DSUs, dividing (i) the dollar amount of such grant by (ii) the Market Value of a common share on the date of grant. The Company shall maintain a notional account for each DSU Participant.

All DSUs recorded in a Participant's notional account will vest on the DSU termination date, being the day that the DSU Participant ceases to be a director of the Company for any reason.

Upon the settlement of DSUs, the number of common shares covered by the DSUs will be issued from treasury by the Company as fully paid non-assessable common shares based on the whole number of common shares equal to the whole number of DSUs then recorded in the DSU Participant's notional account (fractions of common shares will be settled in cash). If a DSU Participant gives notice to the Company of its election to receive cash pertaining to a DSU, the Company, with the approval of the Board, may agree to pay an amount in cash equal to the aggregate Market Value of the common shares as at the DSU termination date to be issued in place of issuing to the DSU Participant common shares under the DSU.

A full copy of the Omnibus Plan is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Employment, consulting and management agreements

Ramon Perez, President and Interim CEO

On April 10, 2023, the Company entered into an Executive Consulting Agreement with Ramon Perez to serve in the capacity of President of the Company (the "**Perez Agreement**"). Under the terms of the Perez Agreement, Mr. Perez will receive a monthly consulting fee of US\$13,500 (the "**Base Fee**"). Mr. Perez is eligible to participate in the Company's equity compensation plan and bonus plan of the Company.

The Perez Agreement provides that, in the event of termination for just cause, Mr. Perez shall not be entitled to any notice or payment of any compensation in lieu. In the event of termination for other than just cause, the Company shall provide Mr. Perez with the following:

- a) All outstanding unvested equity awards shall become fully vested;
- b) Participation in all benefit plans provided by the Company will continue for a period of twelve months;
- c) Payment of 12 months of the Base Fee; and an additional one month of the Base Fee for each completed year engaged by the Company to a maximum of 18 months; plus any bonus that Mr. Perez would have earned during the applicable notice period (the "**Total Compensation Amount**").

Mr. Perez may terminate the Perez Agreement by giving 2 months' notice in writing to the Company.

If a Change of Control occurs and if within one (1) year of the Change of Control the Agreement is terminated by the Company or for Good Reason (as defined under the Perez Agreement), Mr. Perez shall be entitled to a lump sum termination payment from the Company in an amount equal to two times the Total Compensation Amount.

The estimated compensation that would have been payable to Mr. Perez assuming termination and/or Change of Control events occurred on December 31, 2023 is:

Termination Without Cause	Change of Control
\$278,539	\$492,800

Ralph Shearing, Former President & Corporate Secretary

On July 1, 2023, the Company entered into Consulting Agreement with CMB Investments Ltd., a Company controlled by Ralph Shearing (the “**Shearing Consulting Agreement**”) to provide services to the Company as an independent contractor. Under the Shearing Consulting Agreement, the Company agreed to pay Mr. Shearing the total sum of \$275,000 (the “**Total Compensation Amount**”) as follows:

- 1) \$200,000 as a pre-paid lump sum, to be paid upon execution and delivery of the Shearing Consulting Agreement; and
- 2) \$75,000 in six (6) equal monthly increments of \$12,500.

In the event that the Shearing Consulting Agreement is terminated by the Company for any reason other than Just Cause, the Company shall pay to Mr. Shearing the balance of the Total Compensation Amount which is outstanding at the time of termination.

Mr. Shearing may terminate the Shearing Consulting Agreement upon any breach of contract by the Company, and the Company shall pay Mr. Shearing a lump sum Termination Payment being the remainder of the Total Compensation Amount unpaid at the date of termination by the Consultant. The receipt by Mr. Shearing of a Termination Payment pursuant to the Shearing Consulting Agreement, will be deemed to constitute a full and final release and discharge of by the Consultant of the Company.

Mike Struthers, Former CEO

On September 12, 2022 (the “**Effective Date**”), the Company entered into a consulting agreement with MS Mining Consulting LDA (the “**Struthers Agreement**”), an entity controlled by Mike Struthers (the “**Executive**”) under which Mr. Struthers received a fee of \$29,000 per calendar month (the “**Executive Fees**”). The Company may terminate the Struthers Agreement without Just Cause at any time, in accordance with the following:

- (i) if the termination occurs within the first three months from the Effective Date, the Company will not owe a termination payment to the Executive;
- (ii) if the termination occurs within the first 12 months from the Effective Date, the Company will pay the Executive a payment equal to one year of the Executive's Fees in effect as of the date of termination;
- (iii) if the termination occurs after one year from the Effective Date but before the completion of two

years from the Effective Date, the Company will pay the Executive the aggregate of (A) one year of the Executive's Fees in effect as of the date of termination, and (B) one year of the Executive's target Bonus in effect for the year during which termination occurs; and

(iv) if the termination occurs on or after two years from the Effective Date, the Company will pay the Executive the aggregate of (A) two years of the Executive's Fees in effect as of the date of termination, and (B) one year of the Executive's target Bonus in effect for the year during which termination occurs.

If a Change of Control occurs and if within one (1) year of the Change of Control the Agreement is terminated either by the Company or by the Executive, Mr. Struthers shall be entitled to a lump sum termination payment from the Company in an amount equal to the aggregate of (A) two years of the Executive's Fees in effect as of the date of termination, and (B) two years of the Executive's target Bonus in effect for the year during which the Change of Control occurs.

The estimated compensation that would have been payable to Mr. Struthers assuming termination and/or Change of Control events occurred on December 31, 2023 is:

Termination Without Cause	Change of Control
\$539,400	\$1,078,800

Armando Alexandri, Chief Operating Officer

On March 18, 2021, the Company entered into an executive consulting agreement with Armando Alexandri (the "**Alexandri Agreement**") pursuant to which Mr. Alexandri will provide services and act as the Chief Operating Officer of the Company. Under the terms of the Alexandri Agreement, Mr. Alexandri will receive a monthly consulting fee of US\$10,000 (the "**Base Fee**"). Once annually on or before December 15th, Mr. Alexandri shall be paid a fee of US\$5,000 in recognition of services performed throughout the year. Mr. Alexandri may be entitled to receive incentive stock options, as determined by the Board.

The Alexandri Agreement provides that, in the event of termination for just cause, Mr. Alexandri shall not be entitled to any notice or payment of any compensation in lieu. In the event of termination for other than just cause, the Company shall provide Mr. Alexandri with 60 day working notice or payment in lieu of working notice. Mr. Alexandri may terminate the Alexandri Agreement by giving 60 days prior notice in writing to the Company.

Chris Richings, VP Technical

On October 2, 2023, the Company entered into an executive consulting agreement with Christopher Richings (the "**Richings Agreement**") pursuant to which Mr. Richings will provide services and act as the Vice President Technical of the Company. Under the terms of the Richings Agreement, Mr. Richings will receive an annual salary of \$250,000 (the "**Base Fee**"). Mr. Richings is eligible to participate in the Company's equity compensation plan and bonus plan of the Company, as determined by the Board.

The Richings Agreement provides that, in the event of termination for just cause, Mr. Richings shall not be entitled to any notice or payment of any compensation in lieu. In the event of termination for other than just cause, the Company shall provide Mr. Richings with the following:

- a) All outstanding unvested equity awards shall become fully vested;
- b) Participation in all benefit plans provided by the Company will continue for a period of twelve months;

- c) Payment of 12 months of the Base Fee; and an additional one month of the Base Fee for each completed year engaged by the Company to a maximum of 18 months; plus any bonus that Mr. Richings would have earned during the applicable notice period (the “**Total Compensation Amount**”).

Mr. Richings may terminate the Richings Agreement by giving 2 months’ notice in writing to the Company.

If a Change of Control occurs and if within one (1) year of the Change of Control the Agreement is terminated by the Company or for Good Reason (as defined under the Richings Agreement), Mr. Richings shall be entitled to a lump sum termination payment from the Company in an amount equal to two times the Total Compensation Amount.

The estimated compensation that would have been payable to Mr. Richings assuming termination and/or Change of Control events occurred on December 31, 2023 is Nil.

Additional Information

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at 1111 Melville Street, Suite 410, Vancouver, BC, V6E 3V6 (Telephone: (604) 684-8071) to request copies of the Company’s financial statements and MD&A. Financial information about the Company is contained in the Company’s comparative audited consolidated financial statements and MD&A for its year ended December 31, 2023.

DATED at Vancouver, British Columbia, this 26th day of June, 2024.

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) “*Ramon Perez*”

Ramon Perez
President and Interim Chief Executive Officer