Form 51-102F6V

Statement of Executive Compensation – Venture Issuers

TEARLACH RESOURCES LIMITED

General

For the purpose of this Form 51-102F6V:

"**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 (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

(a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than 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 neither an executive officer of the Company or its subsidiaries (if any), nor 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.

Compensation Discussion and Analysis

The Board has not appointed a Compensation Committee. Therefore the Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management, with a view to fulfilling its responsibilities concerning executive and director compensation, reviewing 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, all in light of the Company's annual goals and objectives.

Philosophy and Objectives

The compensation program for the Company's senior management is designed to ensure that the level and form of compensation achieves certain objectives, including:

(a) attracting and retaining talented, qualified and effective executives; and

(b) motivating the short and long-term performance of these executives

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 is accomplished through the Company's share option plan. Share options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted and competitive factors. The amounts and terms of options granted are determined by the Board.

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

Pension Plan Benefits

The Company has no pension or deferred compensation plans for its directors, officers or employees.

Termination and Change of Control Benefits

There are no compensatory plan(s) or arrangement(s) 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 the NEO's responsibilities following a change in control.

Director Compensation

Directors of the Company do not receive fees or other cash compensation in their capacity as directors except for Charles Ross, a director, Chief Financial Officer of the Company, who received management fees in the sum of $60,000.00 for the fiscal year ended September 30, 2016 and September 30, 2017, as reported under NEO compensation disclosure above. 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, or involvement in special assignments during the most recently completed financial year or subsequently, up to and including the date of this Information Circular, except directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors and certain directors may be compensated for services as consultants or experts.

Directors are also eligible to receive incentive stock options to purchase Common Shares granted from time to time.

The Company did not grant any stock options to the Directors during the fiscal years ending September 30, 2016 and September 30, 2017.

Option-Based Awards

The Company's current share option plan (the "Existing Plan") was approved by the shareholders on June 26, 2008. The Existing Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company, thus encouraging their continuing association with the Company. A maximum of 342,978 Common Shares is issuable pursuant to the Existing Plan. See further disclosure under "Securities Authorized for Issuance under Equity Compensation Plans" below. Management proposes share option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require Board approval. The share 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. As at September 30, 2017 there are 300,000 options outstanding under the Option Plan.

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 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:

Name and Position	**Fiscal Year Ended September 30**	**Salary, Consulting Fee, Retainer or Commission ($)**	**Bonus ($)**	**Committee or Meeting Fees ($)**	**Value of Perquisites ($)**	**Value of all other Compensation ($)**	**Total Compensation ($)**
Malcolm Fraser President, CEO, and Director	2016 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Charles Ross CFO and Director	2016 2017	60,000(1) 60,000(1)	Nil Nil	Nil Nil	Nil Nil	Nil Nil	60,000 60,000
W. Joseph Yelder Director	2016 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Dieter Schindelhauer Director	2016 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

(1) These fees were accrued to Modaven Capital Corporation ("**MCC**"), a company controlled by Mr. Ross as compensation for his services.

Stock Options and Other Compensation Securities

Neither the Company, nor any subsidiary thereof, granted or issued any compensation securities to any director or NEO in the year ended September 30, 2017. As at September 30, 2017:

(a) Malcolm Fraser, the President, CEO, and a director of the Company, held no compensation securities;

(b) Charles Ross, the Chief Financial Officer and a director of the Company, held no compensation securities;

(c) W. Joseph Yelder, a director of the Company, held an aggregate of 150,000 compensation securities comprised solely of stock options, each of which is exercisable into one Share. The options were exercisable at $0.10 per Share until September March 1, 2018; and

(d) Dieter Schindelhauer, a director of the Company, held an aggregate of 150,000 compensation securities comprised solely of stock options, each of which is exercisable into one Share. The options were exercisable at $0.10 per Share until September March 1, 2018;

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by a director or NEO during the fiscal years ending September 30, 2016 and September 30, 2017.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the stock option plan (the "Existing Plan") which was first approved by shareholders on June 26, 2008. The Existing Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Existing Plan is administered by the Board of the Company and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Existing Plan provides that the number of Common Shares issuable under the Existing Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 342,978 Common Shares. All options expire on a date not later than five years while the Company remains on the NEX Exchange, after the date of grant of such option.

The following table sets out equity compensation plan information as at the Company's September 30, 2017 financial year end.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	**Weighted-average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))**
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders – June 26, 2008 (the Plan)	Nil	N/A	342,978
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total		N/A	342,978