TUSCANY ENERGY LTD.

FORM 51-102F6 - STATEMENT OF EXECUTIVE COMPENSATION IN RESPECT OF THE YEAR ENDED DECEMBER 31, 2015

This Statement of Executive Compensation describes the compensation paid, made payable, awarded, granted, gave or otherwise provided during the financial year ended December 31, 2015 to the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") of Tuscany Energy Ltd. ("**Tuscany**" or the "**Corporation**"), or any person that acted in such capacity during the most recently completed financial year, and any other executive officer of Tuscany whose total compensation for the financial year ended December 31, 2015 exceeded $150,000 (collectively, the "**NEOs**" or "**Named Executive Officers**"), as well as each person that acted as a director of Tuscany at any time during the last completed financial year.

Compensation Discussion and Analysis

General

Tuscany and Humboldt Capital Corporation ("**Humboldt**") (and Paris Energy Inc. ("**Paris**") prior to July 31, 2014) (collectively the “**Group**”) have some of the same executive officers and employees and also share office space. Accordingly, they have entered into an overhead sharing agreement (the "**Overhead Sharing Agreement**") whereby Humboldt (and Paris prior to July 31, 2014) reimburses Tuscany for certain overhead costs and expenses shared by the Group and paid by Tuscany on the Group's behalf, including executive compensation. Such costs and expenses are allocated amongst the members of the Group based on a number of factors. The salaries of the NEOs set forth below under "Summary Compensation Table" are presented on the basis of this allocation and represent the portion of the salaries paid to such executive officers by Tuscany and for which it did not receive reimbursement in accordance with the Overhead Sharing Agreement.

Compensation Program and Policies

Compensation Committee

The board of directors of Tuscany (the "**Board**"), with the assistance of the compensation committee of the Board (the "**Compensation Committee**") maintains responsibility for the oversight and review of Tuscany’s compensation policies. The approval of policies and compensation amounts are determined by the full Board on the recommendation of the Compensation Committee. To the extent NEO salaries are adjusted, it is generally with the agreement of all members of the Group, who share in the payment of such salaries.

The Compensation Committee is currently comprised of Messrs. Robert Lamond, Glen Philips and Roger Hume, all of whom have extensive experience developing, establishing and maintaining compensation programs and policies as directors and executives of other companies, including as members of the compensation committees of such companies. Messrs. Phillips and Hume are independent members of the Compensation Committee within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices. Mr. Lamond is not independent because he is the president and CEO of Tuscany.

Objectives of Compensation Program

Tuscany's compensation program is aimed at attracting and retaining qualified and experienced people and to align their goals with Tuscany’s strategic goals and objectives to maximize shareholder value. In determining the level of compensation it recommends to the Board be paid to a Named Executive Officer, the Compensation Committee annually considers the NEO's overall experience, responsibility and performance, the compensation levels of similar executive positions of similar sized companies in the Canadian oil and gas industry in which Tuscany competes, the necessity to retain key personnel and Tuscany’s overall performance and achievement of its corporate objectives.

Elements of Compensation Program

NEO compensation is comprised of three elements: base salary, short-term incentive bonuses and long-term incentive compensation (being stock options).

Base Salary

Tuscany's approach to base salary is to offer salaries which are competitive when compared to those within Tuscany's peer group of companies. Base salary ranges are determined following a review of available comparative data.

Short-term Incentive Bonuses

In addition to base salaries, Tuscany may award cash bonuses to the NEOs. Bonus levels for the NEOs are established by the Board, with the aggregate amount of cash bonuses payable to all employees (including the NEOs), consultants and directors of Tuscany being a maximum of 5% of Tuscany's annual cash flow. Cash bonus awards are based on a subjective analysis of Tuscany's corporate performance and on Tuscany's ability to pay such bonuses. No bonuses were awarded in 2015.

Long-Term Incentive Compensation (Stock Options)

Options granted under the Corporation's stock option plan (the "**Option Plan**") is the third component of an NEOs' total compensation. Options are intended to align executive and shareholder interests by attempting to create a direct link between compensation and shareholder return. Participation in the Option Plan rewards overall corporate performance as measured through the price of the common shares ("**Common Shares**") of the Corporation.

The Option Plan currently limits the number of Common Shares that may be issued on exercise of Options to 10% of the number of outstanding Common Shares from time to time. Any increase in the issued and outstanding Common Shares will result in an increase in the available number of Common Shares issuable under the Option Plan. Additionally, any exercise, termination or cancellation of Options will make new grants available under the Option Plan.

The number of Options granted to individual NEOs is determined by considering individual performance, level of responsibility, authority and overall importance to Tuscany, the number of options previously granted to a NEO and the degree to which each NEO's contribution is critical to the long-term success of Tuscany. The number of Common Shares reserved for issuance to any one optionee may not exceed 5% of the aggregate issued and outstanding Common Shares; the maximum number of securities of Tuscany issuable to insiders at any time pursuant to all security based compensation arrangements may not exceed 10% of the number of outstanding Common Shares; the maximum number of securities of Tuscany issued to insiders within any one year period under all security based compensation arrangements may not exceed 10% of the outstanding Common Shares; and the maximum number of Common Shares to be issued to any one insider and associates of such insider within a one year period may not exceed 5% of the outstanding Common Shares.

Options granted pursuant to the Option Plan have a term not to exceed five years and vest in such manner as determined by the Board at the time of the grant. The exercise price of Options granted pursuant to the Option Plan is determined by the Board at the time of grant and may not be less than the closing trading price of the Common Shares on the TSX Venture Exchange (the "**TSXV**") on the last trading day preceding the date of grant.

Risk Implications Associated with Compensation Policies and Practices

The Compensation Committee has considered the implications of the risks associated with the Corporation's compensation policies and practices and has determined that there are no significant areas of risk because of the discretionary nature of such policies and practices. This determination was based on a number of factors, including, without limitation: that the Corporation's compensation policies and practices are generally uniform throughout the organization and there are no significant differences in compensation structure among the senior executives; and the

Corporation attempts to achieve a balance between cash and equity compensation which are based both on individual and corporate performance. In addition, the majority of senior executives are significant shareholders of the corporation and their Options, which make up a significant portion of a Named Executive Officer's total compensation, generally vest over a period of two years, which acts to mitigate against the potential for inappropriate short-term risk taking. However, as elements of the discretionary compensation of the executive officers, such as the bonus plan, may be based, at least partially, on the performance of the Corporation over the short term such policies may cause executive officers to make decisions favouring the short term results of the Corporation rather than making decisions based on the best interests of the Corporation over the long term. The ability of the Compensation Committee to consider other factors such as personal contributions to corporate performance and non-financial based elements of corporate performance allows the Compensation Committee to consider whether executive officers have attempted to bolster short-term results at the expense of the long term success of the Corporation in determining executive compensation.

Short Sales, Puts, Calls and Options

The Corporation's disclosure policy provides that directors, officers and all employees of the Corporation shall not knowingly sell, directly or indirectly, a share or other security of the Corporation if such person selling such security does not own or has not fully paid for the security to be sold. Directors, officers and employees of the Corporation shall not, directly or indirectly, buy or sell a call or put in respect of a share or other security of the Corporation. Notwithstanding these prohibitions, directors, officers and employees of the Corporation may sell a share which such person does not own if such person owns another security convertible into shares or an option or right to acquire shares sold and, within 10 days after the sale, such person: (i) exercises the conversion privilege, option or right and delivers the share so associated to the purchaser; or (ii) transfers the convertible security, option or right, if transferable to the purchaser.

Summary Compensation Table

The following table sets forth certain information regarding the compensation paid to the NEOs during the most recently completed financial year. Tuscany does not have any share-based awards.

				Non-Equity Incentive Plan Compensation ($)				
Name And Principal Position	**Year**	**Salary ($)[1]**	**Option Based Awards ($)[2]**	**Annual Incentive Plans**	**Long-Term Incentive Plans**	**Pension Value ($)**	**All Other Compensation ($)[3]**	**Total Compensation ($)**
Robert W. Lamond, President and CEO	2015	110,072	34,925	-	-	-	-	144,997
	2014	108,500	61,608	-	-	-	-	170,108
	2013	93,679	-	-	-	-	-	93,679
Charles A. (Tony) Teare CFO and Executive Vice President[4]	2015	140,000	27,852	-	-	-	-	167,852
	2014	140,000	49,158	-	-	-	-	189,158
	2013	74,167	-	-	-	-	-	74,167
Donald K. Clark Vice President Operations and COO	2015	203,192	27,463	-	-	-	-	230,655
	2014	200,000	53,388	-	-	-	-	253,388
	2013	172,680	-	-	-	-	-	172,680

Notes:

(1) Amounts represent that portion of the aggregate salaries paid to the NEOs by Tuscany on behalf of Tuscany, Humboldt and Paris for which Tuscany was not reimbursed by Humboldt and Paris in accordance with the Overhead Sharing Agreement. Mr. Lamond received aggregate salaries from the Group of $220,146, $217,000 and $217,000 for the financial years ended December 31, 2015, 2014 and 2013, respectively, Mr. Teare received aggregate salaries from the Group of $200,000, $200,000 and $156,892, respectively, for the financial years ended December 31, 2015, 2014 and 2013, and Mr. Clark received aggregate salaries from the Group of $203,192, $200,000 and $200,000 for the financial years ended December 31, 2015, 2014 and 2013. See "Compensation Discussion and Analysis - General".

(2) Based upon the estimated grant date fair value of the Options granted to the NEOs using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate – 1.33%; dividend rate – 0%; expected life – 4.2 years or 1.2 years; expected annual volatility – 1.07; and forfeiture rate – 0%. This methodology was selected due to its acceptance as an appropriate valuation model used by similar sized oil and gas companies.

(3) The value of perquisites and other personal benefits received by each Named Executive Officer in the year was not greater than $50,000 or 10% of the total annual salary of the Named Executive Officer.

(4) Mr. Teare was appointed Executive Vice President and CFO of the Corporation in July 2013 following the acquisition by Tuscany of Diaz Resources Ltd.

Option-based Awards

The following table sets forth information with respect to the Options held by the NEOs that were outstanding at the end of the most recently completed financial year. Tuscany does not have any share-based awards.

	Option-based Awards			
Name	**Number of Common Shares Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value Of Unexercised In-The-Money Options ($)[(1)]**
Robert Lamond	500,000 200,000	0.185 0.2225	Feb. 24, 2019 March 30, 2019	Nil Nil
Charles A. Teare	410,000 150,000	0.185 0.2225	Feb. 24, 2019 March 30, 2019	Nil Nil
Donald K. Clark	460,000 150,000	0.185 0.2225	Feb. 24, 2019 March 30, 2019	Nil Nil

Note:

(1) Calculated based on the difference between the closing market price of the Common Shares on the TSXV on the last trading day of the most recently completed financial year, being $0.09, and the exercise price of the Options.

Incentive Plan Awards – Value Vested Or Earned During The Year

None of the NEOs would have realized any value if they had exercised on the vesting date any of their Options that vested during the most recently completed financial year, as such options were all out-of-the-money on their respective vesting dates. Tuscany does not have any share-based awards and no non-equity incentive plan compensation was earned during the last completed financial year.

Pension Plan Benefits

Tuscany does not have a pension plan or similar benefit program.

Termination and Change of Control Payments

Tuscany has employment agreements with Messrs. Lamond and Clark that provides for, among other things, payments in the event of a termination of employment for any reason other than for cause, or in the event of a change of control of Tuscany. If a termination without cause or a change of control occurred as at December 31, 2015, the amounts payable to Messrs. Lamond and Clark would be $450,000 and $350,000, respectively. Tuscany has a retention bonus agreement with Mr. Teare that provides for a payment of $200,000 to Mr. Teare in the event of a change of control of Tuscany. Such amounts would be payable by Tuscany and not be subject to any reimbursement by Humboldt under the Overhead Sharing Agreement.

For the purposes of the employment agreements and retention bonus agreement, "change of control" means the occurrence of both of the following:

1. the acquisition of shares of Tuscany and/or securities ("**Convertible Securities**") convertible into shares of Tuscany, as a result of which a person, group of persons or persons acting jointly or in concert, or persons associated or affiliated within the meaning the Business Corporations Act (Alberta) with any such person, group of persons or any of such persons acting jointly or in concert (collectively, "**Acquirors**") (other than R.W. Lamond or persons associated or affiliated with R.W. Lamond within the meaning of the Business Corporations Act (Alberta)) beneficially own shares of Tuscany and/or Convertible Securities such that, assuming the conversion of Convertible Securities beneficially owned by the Acquirors into shares, the Acquirors would beneficially own shares which would entitle the holders thereof to cast more than 50% of the votes attached to all shares in the capital of Tuscany which may be cast to elect directors of Tuscany; and

2. the election of a majority of directors of Tuscany who were not Incumbent Directors.

"**Incumbent Director**" means any member of the Board who was a member of the Board immediately prior to the occurrence of a change of control event described above and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the directors, including a majority of the Incumbent Directors then on the Diaz Board.

Director Compensation

The following table sets forth certain information regarding the compensation paid during the most recently completed financial year to directors of Tuscany who are not also Named Executive Officers. Directors who were not also NEOs are also reimbursed for out-of-pocket expenses incurred in carrying out their duties.

Name	Fees Earned ($)	Option Based Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Roger W. Hume	10,000	7,541	-	N/A	-	17,541
Robert L. McPherson	10,000	7,541	-	N/A	-	17,541
John R. Nelson	10,000	7,541	-	N/A	-	17,541
Glen A Phillips	10,000	7,541	-	N/A	-	17,541

Note:

(1) Based upon the estimated grant date fair value of the Options granted to the directors using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate – 1.33%; dividend rate – 0%; expected life – 4.2 years; expected annual volatility – 1.07; and forfeiture rate – 0%. This methodology was selected due to its acceptance as an appropriate valuation model used by similar sized oil and gas companies.

Option-based Awards - Directors

The following table sets forth information in respect of all Options that were outstanding as at December 31, 2015 that were held by persons that acted as a director of Tuscany at any time during the last completed financial year and that were not also NEOs. Tuscany does not have any share-based awards.

	Option-based Awards			
Name	**Number of Common Shares Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value Of Unexercised In-The-Money Options ($)(1)**
Roger W. Hume	100,000	0.185	Feb. 24, 2019	Nil
	50,000	0.2225	March 30, 2019	Nil
Robert L. McPherson	100,000	0.185	Feb. 24, 2019	Nil
	50,000	0.2225	March 30, 2019	Nil
John R. Nelson	100,000	0.185	Feb. 24, 2019	Nil
	50,000	0.2225	March 30, 2019	Nil
Glen A. Phillips	100,000	0.185	Feb. 24, 2019	Nil
	50,000	0.2225	March 30, 2019	Nil

Note:

(1) Calculated based on the difference between the closing market price of the Common Shares on the last trading day of the most recently completed financial year, being $0.09, and the exercise price of the Options.

Incentive Plan Awards – Value Vested Or Earned During The Year

None of the persons that acted as directors of Tuscany during the last completed financial year who were not also NEOs would have realized any value if they had exercised on the vesting date any of their Options that vested during the most recently completed financial year, as such Options were all out-of-the-money on their respective vesting dates.