



HIGHGOLD MINING INC.
(the "Company")

Form 51-102F6V
Statement of Executive Compensation – Venture Issuers

For the year ended December 31, 2019

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 ("CEO") of the Company;
- (b) a Chief Financial Officer ("CFO") of the Company;
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for the 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, nor acting in a similar capacity at the end of the most recently completed financial year.

During the year ended December 31, 2019, the Company had two individuals who were Named Executive Officers, namely Darwin Green, President & Chief Executive Officer, and Aris Morfopoulos, Chief Financial Officer.

All amounts stated in this Form are in Canadian dollars.

Summary Compensation Table

Set out below is a summary of compensation paid or accrued to each Named Executive Officer and director of the Company during the two most recently completed financial years.

As the Company was incorporated in April 2019, there is no disclosure for 2018.

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 (\$)
Darwin Green <i>Chief Executive Officer and Director</i> ⁽¹⁾	2019	104,067	-	-	-	25,076	129,143
	2018	-	-	-	-	-	-
Aris Morfopoulos <i>Chief Financial Officer and Director</i> ⁽²⁾	2019	44,294	-	-	-	7,375	51,669
	2018	-	-	-	-	-	-
Michael Cinnamond <i>Director</i> ⁽³⁾	2019	-	-	-	-	8,851	8,851
	2018	-	-	-	-	-	-
Michael Gray <i>Director</i> ⁽⁴⁾	2019	-	-	-	-	8,851	8,851
	2018	-	-	-	-	-	-
Lance Miller <i>Director</i> ⁽⁵⁾	2019	-	-	-	-	8,851	8,851
	2018	-	-	-	-	-	-

Notes:

- (1) Mr. Green was appointed as the Chief Executive Officer, President and a director on April 16, 2019.
- (2) Mr. Morfopoulos was appointed as the Chief Financial Officer and Corporate Secretary on April 16, 2019. Mr. Morfopoulos was a director from April 16, 2019 to June 26, 2019 and re-appointed as a director on August 1, 2019.
- (3) Mr. Cinnamond was appointed as a director on June 26, 2019.
- (4) Mr. Gray was appointed as a director on June 26, 2019.
- (5) Mr. Miller was appointed as a director on June 26, 2019.

External Management Companies

The management functions of the Company are primarily performed by the executive officers of the Company. Each of Darwin Green and Aris Morfopoulos entered into an employment agreement with the Company effective as of August 1, 2019.

During the period from April 16, 2019 to September 30, 2019, before the establishment of the Company's payroll system, management fees in the amount of \$40,050 and \$19,750 were paid to D. Green Geoscience Inc. and Morfopoulos Consulting Associates Ltd., respectively, companies controlled by Mr. Green and Mr. Morfopoulos, respectively.

Stock Options and Other Compensation Securities

Set out below is a summary of all compensation securities granted or issued to each Named Executive Officer and director of the Company during the most recently completed financial year.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class ⁽¹⁾	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
Darwin Green <i>President, CEO and Director</i> ⁽⁴⁾	Stock Options	425,000 ⁽²⁾	09/16/19	0.45	n/a ⁽²⁾	1.30	09/16/24
		20,833 ⁽³⁾	11/01/19	0.86	n/a ⁽³⁾	1.30	06/30/21
		10,416 ⁽³⁾	11/01/19	1.37	n/a ⁽³⁾	1.30	06/02/22
		50,000 ⁽³⁾	11/01/19	1.16	n/a ⁽³⁾	1.30	06/14/24
Aris Morfopoulos <i>CFO, Corporate Secretary and Director</i> ⁽⁵⁾	Stock Options	125,000 ⁽²⁾	09/16/19	0.45	n/a ⁽²⁾	1.30	09/16/24
		8,333 ⁽³⁾	11/01/19	0.86	n/a ⁽³⁾	1.30	06/30/21
		8,333 ⁽³⁾	11/01/19	1.20	n/a ⁽³⁾	1.30	03/06/20
		14,583 ⁽³⁾	11/01/19	1.37	n/a ⁽³⁾	1.30	06/02/22
		20,000 ⁽³⁾	11/01/19	1.16	n/a ⁽³⁾	1.30	06/14/24
Michael Cinnamon <i>Director</i>	Stock Options	150,000 ⁽²⁾	09/16/19	0.45	n/a ⁽²⁾	1.30	09/16/24
Michael Gray <i>Director</i>	Stock Options	150,000 ⁽²⁾	09/16/19	0.45	n/a ⁽²⁾	1.30	09/16/24
Lance Miller <i>Director</i>	Stock Options	150,000 ⁽²⁾	09/16/19	0.45	n/a ⁽²⁾	1.30	09/16/24

Notes:

- (1) Each stock option is exercisable into one (1) common share in the capital of the Company (each, a "Share").
- (2) Stock options issued on September 16, 2019 were issued prior to the Company becoming a listed issuer on the TSX Venture Exchange (the "TSXV") and vest over a period of two years in accordance with the following schedule: 1/3 on the date of grant, 1/3 one year from the date of grant and the remaining 1/3 two years from the date of grant.
- (3) In connection with a Plan of Arrangement between Constantine Metal Resources Ltd. ("Constantine") and the Company that was completed on August 1, 2019 (the "Arrangement"), stock options were issued to certain directors, officers and employees of the Company in accordance with the adjustment provisions of the outstanding Constantine stock options that had been previously issued to certain previous holders (the "Replacement Options"). The exercise prices of the Replacement Options were set at the same percentage difference from the average closing price of the Shares in the first five trading days following listing on the TSXV that the exercise prices of the corresponding Constantine options were from the average closing price of their shares in the five trading days following completion of the Arrangement. The Replacement Options were fully vested on the date of grant.
- (4) As at December 31, 2019, Mr. Green held a total of 506,249 stock options.
- (5) As at December 31, 2019, Mr. Morfopoulos held a total of 176,249 stock options.

Except as disclosed herein, none of the compensation securities have been re-priced, cancelled and replaced, had its term extended or otherwise been materially modified in the most recently completed financial year. Except as otherwise disclosed under "Stock Option Plan and Other Incentive Plans" below, none of the compensation securities have any restrictions or conditions for converting, exercising or exchanging the compensation securities.

No Named Executive Officer or director of the Company exercised any outstanding compensation securities during the most recently completed financial year of the Company.

Stock Option Plan and Other Incentive Plans

The Stock Option Plan is a 10% "rolling" stock option plan. The underlying purpose of the Stock Option Plan is to attract and motivate the directors, officers, employees and consultants of the Company and its subsidiaries to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Stock Option Plan. The Stock Option Plan was approved by the Company's directors on June 25, 2019.

A summary of the material terms of the Stock Option Plan are set out below, which summary is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which is available on the Company's SEDAR profile at www.sedar.com:

1. Eligible Participants. Options may be granted under the Stock Option Plan to directors, senior officers, Employees, Management Company Employees and Consultants of the Company (as such terms are defined in the Stock Option Plan) and its subsidiaries (collectively, the "Eligible Persons"). The board of directors of the Company (the "Board"), in its discretion, determines whether to grant options under the Stock Option Plan to eligible participants.
2. Number of Shares Reserved. The number of Shares which may be issued pursuant to options granted under the Stock Option Plan may not exceed 10% of the issued and outstanding Shares, on a non-diluted basis, at the date the options are granted. In addition, the number of Shares which may be issued pursuant to options granted under the Stock Option Plan to any one optionee shall not exceed 5% of the total number of issued and outstanding Shares within a 12-month period, on a non-diluted basis, at the date the options are granted (unless otherwise approved by disinterested Shareholders).
3. Term of Options. Subject to the termination and change of control provisions noted below, the terms of any option granted under the Stock Option Plan is determined by the Board and may not exceed 10 years from the date of grant.
4. Exercise Price. The exercise price of options granted under the Stock Option Plan is determined by the Board, provided that it is not less than the discounted market price on the grant date, as that term is defined under applicable TSXV policies.
5. Vesting. All options granted pursuant to the Stock Option Plan will be subject to such vesting requirements as may be prescribed by the TSXV, if applicable, and will be granted as fully vested, unless a vesting schedule is imposed by the Board as a condition of the grant on the grant date.
6. Termination of Options. If an Optionee ceases to be an Eligible Person, his or her option shall be exercisable as follows:
 - (a) *Death or Disability* - If the optionee ceases to be an Eligible Person, due to his or

her death or disability or, in the case of an optionee that is a company, the death or disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the options then held by the optionee shall be exercisable to acquire that number of Shares which have been reserved for issuance upon the exercise of an option, but which have not been issued, as adjusted from time to time in accordance with the provisions of the Stock Option Plan ("Unissued Option Shares") at any time up to the earlier of:

- (i) 365 days after the date of death or disability; and
 - (ii) the expiry date of the options.
- (b) *Termination for Cause* - If the optionee, or in the case of a Management Company Employee or a Consultant Company, the optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the optionee, or, in the case of a Management Company Employee or a Consultant Company, of the optionee's employer, is employed or engaged; any outstanding options held by such optionee on the date of such termination shall be cancelled as of that date.
- (c) *Early Retirement, Voluntary Resignation or Termination Other than For Cause* - If the optionee or, in the case of a Management Company Employee or a Consultant Company, the optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the option then held by the optionee shall be exercisable to acquire Unissued Option Shares at any time up to but not after the earlier of the expiry date and the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee or, in the case of a Management Company Employee or a Consultant Company, the optionee's employer, ceases to be an Eligible Person.

Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

Employment, Consulting and Management Agreements

Green Consulting Agreement

The Company entered into an employment agreement dated effective September 1, 2019 (the "Green Employment Agreement") with Darwin Green, pursuant to which Mr. Green is paid a full-time annual base salary of \$20,000 per month to serve as the President and CEO of the Company. The Green Employment Agreement contains provisions whereby Mr. Green may, in the sole direction of the Board, be granted a performance-based bonus as well as termination provisions (including a change of control provision), which termination provisions are summarized below:

- (a) Mr. Green may terminate his employment with the Company at any time by providing 12

weeks' notice in writing of his resignation. The Company may, in its discretion, require Mr. Green to leave prior to the effective resignation date stipulated by Mr. Green provided that the Company pay to Mr. Green an amount equal to the *pro rata* base salary that Mr. Green would have received had he continued to be employed by the Company for the full 12 weeks from the effective resignation date;

- (b) the Company may immediately terminate the Green Employment Agreement at any time without notice, payment in lieu of notice or severance compensation of any kind if there is just cause at common law to terminate Mr. Green's employment. If Mr. Green is terminated for just cause, all outstanding stock options on the date of termination shall be cancelled as of that date pursuant to the relevant provisions of the Stock Option Plan and the stock option agreement(s) entered into between the Company and Mr. Green;
- (c) the Company may terminate Mr. Green's employment at any time without cause by (i) providing Mr. Green with six months' prior notice, plus two additional months of working notice for each completed year of service after the effective date of the Green Employment Agreement, up to a maximum period of 18 months; or (ii) paying Mr. Green a lump sum amount in lieu of working notice equivalent to six months of the base salary, plus two additional months' payment of base salary in lieu for each completed year of service after the effective date of the Green Employment Agreement, up to a maximum aggregate payment of \$360,000, less deductions required by law;
- (d) in the event that the Company terminates Mr. Green's employment without just cause, then all stock option agreements between the Company and Mr. Green will remain in good standing until the earlier of twenty-24 months from (i) the date of termination or (ii) the original expiry of such stock option agreement; and
- (e) if a Triggering Event occurs, Mr. Green may, at any time within six months after the date of the Triggering Event and subject to the rules and policies of the TSXV or such other exchange on which the Shares may become traded: (i) elect to continue his employment with the Company in accordance with the Green Employment Agreement or as amended; or (ii) give notice in writing to the Company that the Green Employment Agreement has been terminated, in which case Mr. Green's employment will end and the Company will pay to Mr. Green a lump sum payment of \$480,000.

Morfopoulos Consulting Agreement

The Company entered into an employment agreement dated effective August 1, 2020 (the "Morfopoulos Employment Agreement") with Aris Morfopoulos, pursuant to which Mr. Morfopoulos is paid a part-time base salary of \$8,000 per month to serve as CFO of the Company. The Morfopoulos Employment Agreement contains provisions whereby Mr. Morfopoulos may, in the sole direction of the Board, be granted a performance-based bonus as well as termination provisions (including a change of control provision), which termination provisions are summarized below:

- (a) Mr. Morfopoulos may terminate his employment with the Company at any time by providing 12 weeks' notice in writing of his resignation. The Company may, in its discretion, require Mr. Morfopoulos to leave prior to the effective resignation date

stipulated by Mr. Morfopoulos provided that the Company pay to Mr. Morfopoulos an amount equal to the *pro rata* base salary that Mr. Morfopoulos would have received had he continued to be employed by the Company for the full 12 weeks from the effective resignation date;

- (b) the Company may immediately terminate the Morfopoulos Employment Agreement at any time without notice, payment in lieu of notice or severance compensation of any kind if there is just cause at common law to terminate Mr. Morfopoulos' employment. If Mr. Morfopoulos is terminated for just cause, all outstanding stock options on the date of termination shall be cancelled as of that date pursuant to the relevant provisions of the Stock Option Plan and the stock option agreement(s) entered into between the Company and Mr. Morfopoulos;
- (c) the Company may terminate Mr. Morfopoulos' employment at any time without just cause by (i) providing Mr. Morfopoulos with six months' prior notice, plus one additional month of working notice for each completed year of service after the effective date of the Morfopoulos Employment Agreement, up to a maximum period of 18 months; and (ii) paying Mr. Morfopoulos a lump sum amount in lieu of working notice equivalent to six months of the base salary, plus one additional month of payment in lieu for each completed year of service after the effective date of the Morfopoulos Employment Agreement, up to a maximum aggregate payment of \$144,000, less deductions required by law; and
- (d) if a Triggering Event occurs, Mr. Morfopoulos may, at any time within six months after the date of the Triggering Event and subject to the rules and policies of the TSXV or such other exchange on which the Shares may become traded: (i) elect to continue his employment with the Company in accordance with the Morfopoulos Employment Agreement or as amended; or (ii) give notice in writing to the Company that the Morfopoulos Employment Agreement has been terminated, in which case Mr. Morfopoulos' employment will end and the Company will pay to Mr. Morfopoulos a lump sum payment of \$150,000.

In this section, a "Triggering Event" means any of the following:

- (a) a take-over bid (as defined in the *Securities Act* (British Columbia) which is successful in acquiring Shares;
- (b) a change of control of the Board, defined as the election by the members of the Company of less than a majority of the persons nominated for election by management of the Company;
- (c) the sale of all or substantially all the assets of the Company;
- (d) the sale, exchange or other disposition of a majority of the outstanding Shares in a single or series of related transactions;
- (e) approval by the directors or members of the Company of a complete liquidation or dissolution of the Company; or
- (f) the merger or amalgamation or other corporate restructuring of the Company in a

transaction or series of transactions in which the Company's members receive less than 51 percent of the outstanding Shares of the new or continuing corporation.

Compensation Discussion and Analysis

The Company has a compensation program. The Company's nominating and compensation committee (the "Compensation Committee") relies on the experience of its members to ensure that total compensation paid to the Company's management is fair and reasonable and is both in-line with the Company's financial resources and competitive with companies at a similar stage of development.

The Compensation Committee is responsible for assisting the Board in monitoring, reviewing and approving compensation policies and practices of the Company and its subsidiaries and administering the Company's stock option plan. With regard to the CEO, the Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives and making recommendations to the Board with respect to the CEO's compensation level based on this evaluation. In consultation with the CEO, the Compensation Committee makes recommendations to the Board on the framework of executive remuneration and its cost and on specific remuneration packages for each of the directors and officers other than the CEO, including recommendations regarding awards under equity compensation plans. The Compensation Committee also reviews executive compensation disclosure before the Company publicly discloses the information.

The Compensation Committee has the authority to engage and compensate, at the expense of the Company, any outside advisor that it determines to be necessary to permit it to carry out its duties (including compensation consultants and advisers), but it did not retain any such outside consultants or advisors during the financial year ended December 31, 2019.

Currently, the Compensation Committee is comprised of three members, namely, Michael Gray (Chair), Michael Cinnamond and Lance Miller, all of whom are independent and knowledgeable as to appropriate factors to consider when determining fair compensation for a reporting issuer's management team and directors and of fair compensation practices.

Compensation Philosophy

The Company has taken a forward-looking approach for the compensation for its directors, officers, employees and consultants to ensure that the Company can continue to build and retain a successful and motivated team and, importantly, align the Company's future success with that of Shareholders.

The Company's compensation strategy is to attract and retain talent and experience with focused leadership in the operations, financing and asset management of the Company with the objective of maximizing the value of the Company. The Company compensates its Named Executive Officers based on their skill and experience levels and the existing stage of development of the Company. NEOs are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

Under the Company's compensation policies and practices, NEOs and directors are not prevented from purchasing financial instruments, including 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 granted as compensation or held, directly or indirectly, by the NEO or director.

The Company has not currently identified specific performance goals or benchmarks as such relate to executive compensation. The stage of the Company's development and the size of its specialized management team allow frequent communication and constant management decisions, with the interest of developing Shareholder value as a primary goal.

The Compensation Committee believes that the compensation policies and practices of the Company do not encourage executive officers to take unnecessary or excessive risk; however, the Board intends to review from time to time and at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time. Implicit in the Board of Directors' mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and Shareholders, and risk implications is one of many considerations which are taken into account in such design.

Compensation Components

The Board of Directors has implemented three levels of compensation to align the interests of the Named Executive Officers with those of the Shareholders. First, NEOs may be paid a monthly salary or consulting fee. Second, the Board of Directors may award NEOs long-term incentives in the form of stock options. Finally, and only in special circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that results in a significant increase in Shareholder value. The Company does not provide medical, dental, pension or other benefits to NEOs. To date, no specific formulas have been developed to assign a specific weighting to each of these components.

Base Salary

The base compensation, if any, of the Named Executive Officers is reviewed and set annually by the Board of Directors, based on the recommendations of the Compensation Committee. The salary review for each NEO is based on an assessment of factors such as:

- current competitive market conditions;
- compensation levels within its peer group of junior mining issuers at a similar stage of development;
- level of responsibility and importance of the position within the Company; and
- particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual.

Using this information, together with budgetary guidelines and other internally generated planning and forecasting tools, the Board intends to perform an annual assessment of all executive officer compensation levels and then set base salaries or consulting fees of the NEOs in accordance with such assessment.

The base compensation, if any, of the directors of the Company is also reviewed and set annually by the Board of Directors, based on the recommendations of the Compensation Committee.

Long-Term Compensation – Stock Options

Long-term compensation is paid to NEOs in the form of grants of stock options.

The Company has established a stock option plan (the "Stock Option Plan") to encourage Shares ownership and entrepreneurship on the part of the directors, senior management, employees and consultants. The Board believes that the Stock Option Plan aligns the interests of Named Executive Officers with the interests of Shareholders by linking a component of executive compensation to the longer-term performance of the Shares.

The Stock Option Plan is administered by the Board, who have full and final authority with respect to the granting of all options thereunder. Accordingly, all options granted to NEOs are approved by the Board, based on the recommendations of the Compensation Committee. Options may be granted under the Stock Option Plan to such service providers of the Company and its affiliates, if any, as the Board may from time to time designate. The Company has not set specific target levels for options to NEOs but seeks to be competitive with similar companies.

The Stock Option Plan provides that, subject to the requirements of the TSXV, the aggregate number of securities reserved for issuance will be 10% of the number of Shares issued and outstanding from time to time.

In monitoring stock option grants, the Board generally takes into account the following factors: the level of options granted by comparable companies for similar levels of responsibility, prior grants to a proposed optionee, the executive's past performance, anticipated future contribution, the percentage of outstanding equity owned by the executive, the level of vested and unvested options, and on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to Shareholder value.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, and subject to earlier termination in the event of dismissal for cause, early retirement, voluntary resignation or termination other than for cause, or in the event of death or disability, the Board also makes the following determinations:

- the exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each stock option; and
- the other material terms and conditions of each stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Stock Option Plan, based on the recommendations of the Compensation Committee. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As of the fiscal year ended December 31, 2019, a total of 1,690,830 options have been granted to the Company's directors and Named Executive Officers pursuant to the Stock Option Plan.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out details of all the Company's equity compensation plans as of December 31, 2019, being the end of the Company's most recently completed financial year. The Company has one equity compensation plan in place (see "Stock Option Plan and Other Incentive Plans" above).

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans, excluding securities reflected in column (a) (c)
Equity compensation plans approved by security holders	2,667,892	0.74	1,334,415
Equity compensation plans not approved by security holders	n/a	n/a	n/a
TOTAL	2,667,892		1,334,415

Notes:

(1) As at the fiscal year ended December 31, 2019, the Company had 40,023,075 Shares issued and outstanding.

DATED at Vancouver, British Columbia, July 24, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

"Aris Morfopoulos"

Aris Morfopoulos
Chief Financial Officer