

PETRICHOR ENERGY INC.

(the “Company”)

Form 51-102F6

**STATEMENT OF EXECUTIVE COMPENSATION
(for the year ended December 31, 2017)**

Compensation Discussion and Analysis

The main objective of the Company’s executive compensation program is to attract, retain, and engage high-quality, high-performance executives who have the experience and ability to successfully execute the Company’s strategy and deliver value to our shareholders.

The objectives of the Company’s executive compensation program are as follows:

- (i) compensate executives competitively for the leadership, skills, knowledge, and experience necessary to perform their duties;
- (ii) align the actions and economic interests of executives with the interests of shareholders; and
- (iii) encourage retention of executives.

There is no formal compensation committee, the independent members of the Board, being Jurgen Wolf and Christopher Cherry (the “**Independent Directors**”) annually review and set remuneration of executive officers. The Independent Directors determined that the executive compensation program should be comprised of the following elements:

- Base Salary – to compensate executives for the leadership, skills, knowledge and experience required to perform their duties; and
- Long-term Incentive Plan – to retain talented executives, reward them for their anticipated contribution to the long-term successful performance of the Company and align them with the interests of shareholders. The plan currently consists only of incentive stock options.

Process for Determining Executive Compensation

To determine compensation payable, the Independent Directors generally review compensation paid for directors and CEOs (or persons acting in a similar capacity to CEO, such as Presidents) of companies of similar size and stage of development in the oil and gas industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation the Independent Directors annually review the performance of the CEO (or President) in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

Compensation Policies and Risk Management

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers. The Board of Directors reviews at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary (or management fees) and long-term ownership through the Company's Stock Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Hedging of Economic Risks in the Company's Securities

The Company has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by directors or officers. The Company is not, however, aware of any directors or officers having entered into this type of transaction.

The Company has not retained a compensation consultant during or subsequent to the most recently completed financial year.

The Company does not use a specific "benchmark group" to determine executive compensation levels.

Total compensation for executive officers includes base salary and long-term incentive stock options.

Base salary or management fees

The executive compensation is designed to encourage, compensate and reward senior management on the basis of individual and Company performance, in the short term and long term, while considering the fiduciary duties to the shareholders. The base fees are established through negotiation when an individual joins the Company and reviewed annually thereafter. The level of fees is determined based on the level of responsibility and the importance of the position to the Company.

Option-based awards

The Company's 10% rolling stock option plan (the "Plan") has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of shareholders. The Directors of the Company are also eligible to receive stock option grants under the Company's stock option plan, and the Company applies the same process for determining such awards to Directors as with NEOs.

As there is currently no compensation committee, the Independent Directors of the Company have the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 *Statement of Executive Compensation* which came into force on October 31, 2011 (the "**Form 51-102F6**")) sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial years of the Company ending on December 31, 2017 (to the extent required by Form 51-102F6) in respect of each of the individuals comprised of each Chief Executive Officer and the Chief Financial Officer who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, (other than the Chief Executive Officer and the Chief Financial Officer), as at December 31, 2017 whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively the "**Named Executive Officers**" or "NEOs").

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Joe DeVries President and C.E.O.	2017	Nil	Nil	Nil	Nil	Nil	Nil	96,000 ⁽¹⁾	96,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil	96,000 ⁽¹⁾	96,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	96,000 ⁽¹⁾	96,000
Richard Barnett C.F.O. and Secretary	2017	Nil	Nil	Nil	Nil	Nil	Nil	60,000 ⁽²⁾	60,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil	60,000 ⁽²⁾	60,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil	60,000 ⁽²⁾	60,000

(1) Management fees accrued to MLTK Mgmt Services Inc. (formerly JRC Enterprises), a private company wholly owned by Mr. DeVries.

(2) Management fees accrued to Jenrich Operations Limited, a private company wholly owned by Mr. Barnett.

Incentive Plan Awards

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Named Executive Officers.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)
Joe DeVries, CEO and President	NIL	N/A	N/A	N/A	NIL	N/A
Richard Barnett, CFO and Secretary	NIL	N/A	N/A	N/A	NIL	N/A

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.03, and the exercise or base price of the option.

Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Named Executive Officers are as follows:

NEO Name	Option-Based Awards - Value Vested During The Year ⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Joe DeVries, CEO and President	Nil	Nil	N/A
Richard Barnett, CFO and Secretary	Nil	Nil	N/A

(1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities and the exercise or base price of the options under the option-based award on the vesting date.

(2) This amount is the dollar value realized computed by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

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.

Termination and Change of Control Benefits

The Company and its subsidiaries have no employment contracts with any Named Executive Officer. Neither the Company, nor its subsidiaries, has a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors, who are each not also a Named Executive Officer, for the Company's most recently completed financial year:

Director Name ⁽¹⁾	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Jurgen Wolf	Nil	Nil	Nil	N/A	Nil	Nil	Nil
Christopher Cherry ⁽²⁾	Nil	Nil	Nil	N/A	Nil	Nil	Nil

(1) Relevant disclosure has been provided in the Summary Compensation Table for directors who receive compensation for their services as a Director who are also Named Executive Officers (if any).

(2) On May 3, 2017, Christopher Cherry was appointed to the Board of Directors.

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, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a stock option plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the directors who are not Named Executive Officers:

Director Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)
Jurgen Wolf	Nil	N/A	N/A	N/A	Nil	Nil
Christopher Cherry ⁽³⁾	Nil	N/A	N/A	N/A	Nil	Nil

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.03, and the exercise or base price of the option.

(2) On May 3, 2017, Christopher Cherry was appointed to the Board of Directors.

Incentive Plan Awards - Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to directors who are not Named Executive Officers are as follows:

Director Name	Option-Based Awards - Value Vested During The Year ⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Jurgen Wolf	Nil	N/A	N/A
Christopher Cherry ⁽³⁾	Nil	N/A	N/A

(1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities and the exercise or base price of the options under the option-based award on the vesting date.

(2) This amount is the dollar value realized computed by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

(3) On May 3, 2017, Christopher Cherry was appointed to the Board of Directors.

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