SHELBY VENTURES INC. (the "Company")

Form 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(for financial years ended September 30, 2017 and September 30, 2016)

GENERAL

The following information, dated as of March 29, 2018, is provided as required under Form 51-102F6V for Venture Issuers (the "Form"), as set out in National Instrument 51-102 *Continuous Disclosure Obligations*.

For the purposes of this Statement of Executive Compensation:

"**Company**" means Shelby Ventures Inc.;

"**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 for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"external management company" includes a subsidiary, affiliate or associate of the external management company;

"**NEO**" or "**named executive officer**" means each of the following individuals:

(a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer ("CEO"), including an individual performing functions similar to a CEO;

(b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer ("CFO"), including an individual performing functions similar to a 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;

(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.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two completed financial years ended September 30, 2017 and September 30, 2016. Options and compensation securities are disclosed under the heading "**Stock Options and Other Compensation Securities**" of this Form.

During financial year ended September 30, 2017, based on the definition above, the NEOs of the Company were: Antonio (Tony) M. Ricci, CEO and Secretary, and a director of the Company, and Zula Kropivnitski, CFO. The directors of the Company who were not NEOs during financial year ended September 30, 2017 were: Joel Dumaresq, Desmond M. Balakrishnan and Nitin Kaushal.

During financial year ended September 30, 2016, based on the definition above, the NEOs of the Company were: Antonio (Tony) M. Ricci, CEO and Secretary, and a director of the Company, and Zula Kropivnitski, CFO. The directors of the Company who were not NEOs during financial year ended September 30, 2016 were: Joel Dumaresq, Desmond M. Balakrishnan and Nitin Kaushal.

Table of Compensation, Excluding Compensation Securities in Financial Years ended September 30, 2017 and September 30, 2016

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 ($)**	**Total compensation ($)**
Antonio (Tony) M. Ricci [(1)] CEO, Secretary and Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Zula Kropivnitski [(2)] CFO	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Joel Dumaresq [(3)] Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Desmond M. Balakrishnan [(4)] Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Nitin Kaushal [(5)] Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

(1) Antonio (Tony) M. Ricci was appointed Secretary of the Company on December 30, 2010 and was appointed CEO of the Company on May 2, 2012. Mr. Ricci has been a director of the Company since December 30, 2010.

(2) Zula Kropivnitski was appointed CFO of the Company on May 2, 2012.

(3) Joel Dumaresq has been a director of the Company since February 27, 2007.

(4) Desmond M. Balakrishnan has been a director of the Company since December 30, 2010.

(5) Nitin Kaushal has been a director of the Company since November 18, 2014.

The Common Shares of the Company are listed for trading on the NEX board (SLY.H) of the TSX Venture Exchange ("TSXV") as a capital pool company ("CPC"). As the Company is a CPC, there are no arrangements pursuant to which directors were compensated by the Company and its subsidiaries during financial years ended September 30, 2017 and September 30, 2016.

The Company's authorized share structure is an unlimited number of Common Shares and an unlimited number of Preferred Shares, which are non-voting shares. During the financial years ending September 30, 2017 and September 30, 2016, there were no Preferred Shares issued and outstanding.

Escrow Shares

As at September 30, 2017, 1,200,002 (September 30, 2016 – 1,200,002) common shares are held in escrow pending the completion of the Company's qualifying transaction as required by the British Columbia Securities Commission and the TSXV. Insiders of the Company that hold escrow shares: 1) Antonio M. Ricci (200,000 common shares); 2) Desmond M. Balakrishnan (200,000 common shares); and 3) Joel Dumaresq (75,000 common shares).

Financial Year ended September 30, 2017

During the financial year ended September 30, 2017:

(a) the Company incurred $17,758 to McMillan LLP. Desmond Balakrishnan, a director of the Company, is a partner of McMillan LLP; and

(b) the Company paid $6,000 in administrative costs to a company in which Zula Kropivnitski, an officer of the Company, is an employee.

Financial Year ended September 30, 2016

During the financial year ended September 30, 2016:

(a) the Company incurred $21,810 in professional fees, and the Company owed $27,781 to McMillan LLP. Desmond Balakrishnan, a director of the Company, is a partner of McMillan LLP;

(b) the Company paid $791 in administrative costs to a company in which Zula Kropivnitski, an officer of the Company, is an employee; and

(c) $2,532 was payable to Great Bear Resources Ltd of which Tony Ricci, is a director, for rent costs; and

(d) $23,966 was payable to Joel Dumaresq, a Director of the Company, and Derek Spratt, former President and CEO of the Company. The amount owed to Joel Dumaresq is $9,466 and the amount owed to Derek Spratt, former Director of the Company, is $14,500 both for shareholder loan and administration costs. Mr. Spratt resigned as a director of the Company on December 30, 2012. Mr. Spratt served as the President and CEO and Director of the Company from February 27, 2007 to May 2, 2012.

External Management Companies

Preakness Management Ltd., is a private company, in which Zula Kropivnitski the Chief Financial Officer of the Company, is an employee. Pursuant to monthly invoices, Preakness Management Ltd. provides services for corporate administration and regulatory compliance.

Stock Options and Other Compensation Securities

Incentive Stock Options during financial year ended September 30, 2017

The Company did not grant or issue any stock options or other compensation securities to an NEO or director of the Company during financial year ended September 30, 2017.

Incentive Stock Options during financial year ended September 30, 2016

The Company did not grant or issue any stock options or other compensation securities to an NEO or director of the Company during financial year ended September 30, 2016.

Exercise of Compensation Securities by NEOs and Directors

Financial Year Ended September 30, 2017

There were no stock options exercised by an NEO or director of the Company during the financial year ended September 30, 2017.

Financial Year Ended September 30, 2016

There were no stock options exercised by an NEO or director of the Company during the financial year ended September 30, 2016.

Stock Option Plans and Other Incentive Plans

The Company's adopted a 10% "rolling" share option plan (the "2007 Plan"). Pursuant to the 2007 Plan, the aggregate number of common shares reserved for issuance under the 2007 Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of its common shares issued and outstanding at the time of grant. TSXV policy requires that rolling stock option plans that set the number of shares issuable under the plan at a maximum of 10% of the issued and outstanding shares from time to time must be approved and ratified by shareholders and submitted to the TSXV for approval on an annual basis.

A summary of the material aspects of the 2007 Plan is as follows:

1. the 2007 Plan is administered by the Company's Board of Directors of the Company or, if appointed, by a Committee appointed from time to time by the Board of Directors of the Company;
2. the term of any options granted under the 2007 Plan will be fixed by the Board of Directors and may not exceed five years from the date the Option is granted;
3. the maximum number of shares in respect of which options may be outstanding under the 2007 Plan at any given time is equivalent to 10% of the issued and outstanding shares of the Company at that time, less the number of shares, if any, subject to prior options;
4. following termination of an optionee's employment, directorship, consulting agreement or other qualified position, the optionee's option shall terminate upon the expiry of such period of time following termination, not to exceed 90 days (30 days if the optionee is engaged in providing investor relations services), as has been determined by the directors;
5. an option granted under the Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option which would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;
6. as long as required by the TSX Venture Exchange (the "**Exchange**") policy, no one individual may receive options on more than 5% of the issued and outstanding shares of the Company (the "**Outstanding Shares**") in any 12 month period, no one consultant may receive options on more

than 2% of the Outstanding Shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Shares in any 12 month period;

7. options may not be granted at prices that are less than the Discounted Market Price as defined in Exchange policy which, subject to certain exceptions, generally means the most recent closing price of the Company's shares on the Exchange, less a discount of from 15% to 25%, depending on the trading value of the Company's shares;

8. any amendment of the terms of an option shall be subject to any required regulatory and shareholder approvals;

9. so long as the Company remains a policy of the Exchange, the Company will obtain disinterested shareholder approval for:

    (a) any reduction in the exercise price of the option if the optionee is an insider of the Company at the time of the proposed amendment;

    (b) the grant to any optionee, if the optionee is an insider of the Company at the time of the grant, within a 12 month period, of a number of options exceeding 10% of the issued shares; and

    (c) the issuance to any one optionee, if the optionee is an insider of the Company at the time of grant, of a number of shares exceeding 10% of the issued shares.

Notwithstanding the terms of the 2007 Plan described above, TSXV policy imposes certain restrictions on the granting of options during the period that the Company remains a CPC and these restrictions will remain in place until the Company completes a Qualifying Transaction (as that term is defined in the policies of the TSXV). Under the CPC Policy, while the Company remains a CPC it is limited to granting options to only its directors and officers, or to technical consultants whose particular industry expertise is in relation to the business comprising a proposed Qualifying Transaction. Shares acquired pursuant to the exercise of options prior to completion of a Qualifying Transaction must be deposited in escrow and will be subject to escrow until a Qualifying Transaction is completed.

Employment, Consulting and Management Agreements

Except as disclosed under "External Management Companies", the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current directors or NEOs.

Oversight and description of Director and Named Executive Officer Compensation

Elements of the Compensation Program

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending 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 and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board receives independent competitive market information on compensation levels for executives.

Philosophy and Objectives

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

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

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

(c) better aligning their interests with those of the Company's shareholders.

The Company relies solely on the discussions of the Board, without any formal objectives, criteria and analysis, for determining executive compensation.

Base Salary

In the Board's view, paying base salaries or fees competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies within the industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

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 stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses 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 continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Compensation Review Process

Risks Associated with the Company's Compensation Program

Due to the small size of the Company and the current level of the Company's activity, the Board 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 meetings of the Board 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.

Benefits and Perquisites

The Company does not offer any benefits or perquisites to its directors or NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

Hedging by Directors or NEOs

At this time NEOs and directors are not allowed to hedge risk of their Company's securities.

The Board has not proceeded to a formal evaluation of the implications of risks associated with the Company's compensation policies and practices. The Board reviews the risks at least once annually, if any, associated with the Company's compensation policies and practices at such time.

Option-Based Awards

The Company's 2007 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. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board.

Pension disclosure

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.