EMBLEM CORP.

FORM 51-102F6V - STATEMENT OF EXECUTIVE COMPENSATION - VENTURE ISSUERS

The following information pertaining to Emblem Corp. (the "**Corporation**") is presented pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* for the Corporation's financial year ended December 31, 2017.

GENERAL

“**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 Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries;

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

(a) each individual who, in respect of the Corporation, 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; and

(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

COMPENSATION OF NAMED EXECUTIVE OFFICERS AND DIRECTORS

During the Corporation's financial year ended December 31, 2017, the Corporation’s named executive officers were: (i) Gordon Fox, CEO (until December 1, 2017); (ii) Nicholas Dean, CEO (from December 1, 2017); (iii) John Laurie, CFO; (iv) Daniel Saperia, Chief Operating Officer; and (v) Nate Nienhuis, Chief Product Officer.

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each Named Executive Officer and director of the Corporation 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 a director of the Corporation for services provided and for services to be provided, directly or indirectly, to the Company, for each of the Corporation's two (2) most recent completed financial years.

The Corporation does not have any formal share-based award plans, non-equity long-term incentive plans, or any defined benefit or defined contribution pension plans for its NEOs.

Name and position	Fiscal Year Ended December 31	Salary, consulting fee, retainer or commission ($)	Option Based Awards ($)	Annual Incentive Plan (Non-Equity) ($)	All other Compensation[7] ($)	Total Compensation ($)
Nicholas Dean[1] President and Chief Executive Officer	2017 2016	$33,693 Nil	$436,350 Nil	Nil Nil	Nil Nil	$470,043 Nil
Gordon Fox[1][2] Former Director, President and Chief Executive Officer	2017 2016	$175,000 $11,761	Nil Nil	Nil Nil	Nil Nil	$175,000 $11,761
David J. Doherty[3] Former President, Chief Executive Officer and Chief Financial Officer	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
John Laurie[2] Chief Financial Officer	2017 2016	$175,000 $8,065	Nil Nil	Nil $20,000	Nil Nil	$175,000 $28,065
Daniel Saperia[2] Chief Operating Officer	2017 2016	$175,000 $6,720	Nil Nil	Nil Nil	Nil Nil	$175,000 $6,720
Nate Nienhuis[4] Chief Production Officer	2017 2016	$251,665 Nil	Nil Nil	Nil Nil	$1,013,150[8] Nil	$1,264,815 Nil
Harvey Shapiro[2][6] Chairman, Director	2017 2016	$175,000 $11,761	Nil Nil	Nil Nil	Nil Nil	$175,000 $11,761
Maxim Zavet[2][6] Director	2017 2016	$175,000 $11,761	Nil Nil	Nil Nil	Nil Nil	$175,000 $11,761
John Stewart[5] Director	2017 2016	$90,000 Nil	Nil Nil	Nil Nil	Nil Nil	$90,000 Nil
Lorne Gertner[5] Director	2017 2016	$100,000 Nil	$505,045 Nil	Nil Nil	Nil Nil	$605,045 Nil
Jeffrey Fineberg[5] Director	2017 2016	$100,000 Nil	$413,125 Nil	Nil Nil	Nil Nil	$513,125 Nil
Terry Johnson[5] Director	2017 2016	$100,000 Nil	$413,125 Nil	Nil Nil	Nil Nil	$513,125 Nil

Notes:

(1) Mr. Nicholas Dean was appointed as President and Chief Executive Officer of the Corporation on December 1, 2017, upon resignation of Mr. Gordon Fox.

(2) Messrs. Fox, Laurie, Saperia, Shapiro and Zavet were each appointed as officers of the Corporation on December 6, 2016. Mr. Laurie retired on January 31, 2018.

(3) Mr. David J. Doherty served as the President, Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Corporation from June 5, 2013 until his resignation on December 6, 2016.

(4) Mr. Nate Nienhuis was appointed as Chief Production Officer on January 15, 2017 and resigned on May 31, 2018.

(5) Messrs. Stewart, Gertner, Fineberg and Johnson were each appointed as directors of the Corporation on December 6, 2016. Messrs Fineberg, Gertner and Johnson are each independent in that they do not have a direct or indirect material relationship

with the Corporation or one which could, in the view of the Board, be reasonably expected to interfere with their exercise of independent judgement. Mr. Gertner resigned on April 9, 2018.

(6) The Corporation has entered into a management services agreement with wholly-owned corporations of each of Harvey Shapiro and Maxim Zavet pursuant to which Harvey Shapiro and Maxim Zavet provide services to the Corporation. Mr. Harvey Shapiro and Mr. Maxim Zavet do not receive any compensation as directors of the Corporation.

(7) Excluding Mr. Nienhuis, the value of perquisites received by each Named Executive Officer, including property or other personal benefits provided that are not generally available to all employees, was not in the aggregate greater than $50,000 or ten percent (10%) of the officer's total salary for the financial year.

(8) Mr. Nienhuis was awarded share-based compensation which is subject to certain restrictions.

OPTION BASED AWARDS

The Corporation granted incentive stock options to following directors and NEOs during the most recently completed financial year ended December 31, 2017. As at December 31, 2017, the Corporation did not have any formal share-based award plans for its NEOs.

Name and position	Number of common shares underlying unexercised options	Date of issue or grant	Option exercise price ($)	Value of unexercised options at year-end ($)	Expiry date
Nicholas Dean President and Chief Executive Officer	500,000	October 30, 2017	$1.69	$436,350	October 30, 2022
Lorne Gertner Director	350,000	March 10 and December 1, 2017	$2.58 and $1.63	$505,045	March 10 and December 1, 2022
Jeffrey Fineberg Director	250,000	March 10, 2017	$2.58	$413,125	March 10, 2022
Terry Johnson Director	250,000	March 10, 2017	$2.58	$413,125	March 10, 2022

During the fiscal year ended December 31, 2017, no compensation securities have been re-priced, cancelled and replaced, had their terms extended, or otherwise been materially modified, in the most recently completed financial year.

The following table provides a summary of option-based awards held by the NEOs that were outstanding as at December 31, 2017.

Name and position	Number of common shares underlying unexercised options	Option exercise price ($)	Value of unexercised options ($)	Expiry date
Nicholas Dean President and Chief Executive Officer	500,000	$1.69	$436,350	October 30, 2022
Gordon Fox Former Director, President and Chief Executive Officer	400,000	$0.50	$86,734	December 16, 2020
John Laurie Chief Financial Officer	400,000	$0.50	$86,160	July 31, 2021

Daniel Saperia Chief Operating Officer	400,000	$0.50	$86,519	December 16, 2020 and July 31, 2021
Harvey Shapiro Chairman, Director	400,000	$0.50	$86,734	December 16, 2020
Maxim Zavet Director	400,000	$0.50	$86,734	December 16, 2020
John Stewart Director	400,000	$0.50	$86,519	December 16, 2020 and July 31, 2021
Lorne Gertner Director	350,000	$2.58 and $1.63	$505,045	March 10 and December 1, 2022
Jeffrey Fineberg Director	250,000	$2.58	$413,125	March 10, 2022
Terry Johnson Director	250,000	$2.58	$413,125	March 10, 2022

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS

There was no exercise of compensation securities during the most recently completed financial year ended December 31, 2017.

STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

The board of directors of the Corporation (the "**Board**") established an incentive stock option plan (the "**Plan**") whereby the Corporation may grant Options to purchase common shares to the directors, officers, employees, employees of a management company, and consultants of the Corporation. Vesting of the Options is at the discretion of the Board subject to certain vesting restrictions placed on consultants and persons providing investor relations activities.

The Plan allows for a maximum term of ten (10) years on any Option issued. The Corporation has a ten percent (10%) rolling plan. The Plan was re-approved by the shareholders of the Corporation on August 16, 2017. The minimum price at which the Options may be granted is the Discounted Market Price (as defined by the TSX Venture Exchange Corporate Finance Manual) on the date of issue.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS, INCLUDING TERMINATION AND CHANGE OF CONTROL BENEFITS

The Corporation has entered into management services agreements (the "MSAs") with wholly-owned corporations of each of Harvey Shapiro and Maxim Zavet pursuant to which each of Harvey Shapiro and Maxim Zavet provide services to the Corporation. Each MSA provides for, among other things, the provision of services for an initial term of two (2) years, ending on December 6, 2018 (with each agreement subject to automatic renewal for successive twelve (12) month terms unless either party provides three (3) months' notice). As at December 31, 2017, each of the corporations wholly-owned by Harvey Shapiro and Maxim Zavet are entitled to compensation in the amount of $175,000 per annum. Furthermore, the MSAs contain non-competition and non-solicitation clauses to be in effect during the provision of services contemplated thereunder and for a period of twelve (12) months thereafter.

The Corporation has entered into employment agreements (the "Employment Agreements") with each of John Laurie and Daniel Saperia. Each Employment Agreement provides for, among other things, the provision of services for an initial term of two (2) years (with each agreement subject to automatic renewal for successive twelve (12) month terms unless either party provides three (3) months' notice). As at December 31, 2017, each of John Laurie and Daniel Saperia are entitled to a salary of $175,000 per annum. Furthermore, the Employment Agreements contain non-competition and non-solicitation clauses to be in effect during the provision of services contemplated thereunder and for a period of twelve (12) months thereafter.

In the event that an MSA or Employment Agreement is terminated in connection with a change of control, the applicable consultant or employee shall be entitled to receive an amount equal to seventy-five (75%) of the then applicable annual salary payable to such consultant or employee pursuant to such agreement. In the event that an MSA or an Employment Agreement had been terminated in connection with a change of control, as at December 31, 2017, the applicable consultant or employee with whom such agreement was associated would have been entitled to receive $131,250.

The Corporation has also entered into an employment agreement with Nicholas Dean (the "CEO Employment Agreement"). As at December 31, 2017, Mr. Dean is entitled to a salary of $325,000 per annum. The CEO Employment Agreement contains non-competition and non-solicitation clauses to be in effect during the provision of services contemplated thereunder and for a period of twelve (12) months and eighteen (18) months, respectively, thereafter.

In the event the CEO Employment Agreement is terminated, the Mr. Dean shall be entitled to receive a payment equal to six (6) months base salary, if Mr. Dean is employed for two (2) years or less. If Mr. Dean is employed for more than two (2) years, Mr. Dean shall be entitled to a payment equal to twelve months base salary, with the exception that only fifty percent (50%) of any remaining base salary continuation payments will not be paid upon obtaining alternate employment.

DIRECTOR COMPENSATION

The Corporation paid independent directors an annual retainer of $100,000 plus $nil for each meeting of the Board or committee of the Board attended by the director during the fiscal year ended December 31, 2017. Jeffery Fineberg receives $nil per year for holding the position of Audit Committee Chair. In addition, the directors were reimbursed for expenses incurred in carrying out their duties as directors.

Harvey Shapiro, Maxim Zavet, Gordon Fox and John Stewart do not receive any retainer as directors of the Corporation.

The Corporation does not have share-based award plans, non-equity incentive plans or pension plans for its directors.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

NEO COMPENSATION GOVERNANCE

Objectives and Philosophy of the Compensation Program

The overall compensation program is intended to attract and retain competent, committed individuals who will ensure the long-term success of the Corporation by rewarding performance and contributions to the achievement of corporate goals and objectives. The Corporation strives to maintain alignment between the interests of shareholders with those of executives and key employees. To this end, salaries for the CEO and certain of the key employees, have been held at or below market, and employees and executives have been awarded stock options, allowing the Corporation to offer a competitive compensation package and encouraging investment in the Corporation.

Criteria for Compensation

The compensation policy is based largely upon the market value of the type of job the individual performs, the experience, skills, knowledge and responsibilities of the individual and their level of individual performance.

Elements of Compensation and Determination of Amounts for each Element

The Corporation strives to provide a competitive compensation package, with a direct link to corporate performance, by emphasizing the components of cash and stock options to motivate highly qualified personnel. To this end, the Corporation compensates its executive officers through base salary and the award of Options to acquire common shares under the Plan, all at levels which the Corporation believes are reasonable in light of the performance of the Corporation under the leadership of the executive officers.

Base Salary

Base salary is intended to compensate core competencies in the executive role relative to skills, level of responsibility, industry experience, individual performance and contribution to the growth of the Corporation. Base salary provides fixed compensation determined by reference to competitive market information. Salaries of certain executive officers have historically been kept at or below those of the industry and general marketplace because a greater emphasis is placed on Options in order to better align the interests of executives with those of shareholders. Base salaries for executive officers are reviewed by the Board to ensure they are appropriate so as to protect the ability of the Corporation to hire and retain key personnel.

Options

Long-term equity-based incentive compensation through the granting of Options is an important element of the compensation policy because it rewards long-term performance by allowing executive officers and employees to participate in the long-term market appreciation of the common shares and the overall growth of the Corporation. The Board believes that the granting of Options is required for the Corporation to be competitive from a total remuneration standpoint and to encourage retention. The granting of Options also promotes the alignment of interests of shareholders and executives.

With respect to the granting of Options, the Board reviews the recommendation of the CEO regarding Option awards. The CEO bases his decision upon the seniority, level of responsibility and the contribution of each individual toward the Corporation's goals and objectives. Consideration is also given to the overall number of Options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of Options.

Benefits

The NEOs are eligible to participate in the same benefits as offered to all full-time employees. The Corporation does not view these benefits as a significant element of its compensation structure but does believe that they can be used in conjunction with base salary to attract, motivate and retain individuals in a competitive environment.

Assessment of Compensation

The compensation of the CEO is determined by the Board and the compensation for all other executive officers is determined by the Board after consideration of the recommendations of the CEO.

The Corporation recognizes that past and future success of the Corporation relies on its people and strives to foster compensation packages that promote the attraction, retention and development of quality personnel. Although salaries have historically been at or below market, total compensation of executive officers is targeted to be competitive against similarly sized companies within the industry.

DIRECTOR COMPENSATION

Director compensation is determined through review of market rates that other directors are being paid on boards of similar types of companies of similar size.

PENSION PLAN BENEFITS

The Corporation does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.