Rio2 LIMITED
(“Rio2” or the “Company”)

FORM 51-102F6
STATEMENT OF EXECUTIVE COMPENSATION
For the Fiscal Year Ended December 31, 2021

GENERAL

The following information, dated as of May 19, 2022, is provided as required under Form 51-102F6 (the “**Form**”), as such term is set out in National Instrument 51-102 *Continuous Disclosure Obligations*. Except as otherwise indicated, all dollar amounts in this Form are expressed in US dollars and references to $ are US dollars.

For the purpose of this Statement of Executive Compensation:

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
“**named executive officer**” or “**NEO**” means each of the following individuals:

a. a CEO;
b. a CFO;
c. each of the three most highly compensated executive officers of the company, including any of its subsidiaries, 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, as determined in accordance with subsection 1.3(6), for that financial year; and
d. each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Based on the foregoing definition of NEO, during the last completed fiscal year of the Company, Rio2 had five NEOs:

- Alexander Black, President and Chief Executive Officer;
- Kathryn Johnson, Executive Vice President - Chief Financial Officer and Corporate Secretary;
- Jose Luis Martinez, Executive Vice President - Chief Strategy Officer;
- Andrew Cox, Executive Vice President - Chief Operating Officer; and

- Ian Dreyer, Senior Vice President - Technical Services.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION DISCUSSION & ANALYSIS

Corporate Governance and Compensation Committee

In respect of compensation matters, the Corporate Governance, and Compensation Committee of the Board (the "**CGC Committee**") has the following responsibilities:

- reviewing and approving the corporate and individual goals and objectives relevant to senior management's compensation, evaluating performance, and setting compensation levels based upon this evaluation;
- reviewing the recommendations of the CEO with respect to compensation of other management members, and for fixing their compensation, including annual bonuses and the granting of stock options under the Company's stock option plan;
- reviewing executive compensation disclosure before the Company publicly discloses this information; and
- reviewing compensation policies and proposals with reference to industry sectors and markets in which the Company operates.

The CGC Committee members are independent directors Klaus Zeitler (Chairman), Ram Ramachandran, David Thomas (until November 1, 2021) and Drago Kisic (from November 2, 2021). Meetings of the Committee are documented in the form of meeting minutes. In establishing policies covering compensation, including annual bonuses and stock option grants, the CGC Committee takes into consideration the recommendations of the CEO, advice of independent consultants, when retained, and industry standards. The majority of the members of the CGC Committee have direct experience which is relevant to their responsibilities in executive compensation as they have been previously, and are currently, involved with compensation matters at other companies, both public and private, which they are directors. Each of the CGC Committee members have developed appropriate skills and experience, including management experience in human resources or executive compensation gained from their former business dealings as executive officers or directors of private or public entities in similar industries to that in which the Company operates, in order to make decisions on the suitability of the Company's compensation policies and practices.

Skills and experience that enable the CGC Committee to make decisions on the suitability of the Company's compensation policies and practise include:

Klaus Zeitler:

Dr. Klaus Zeitler received his professional education at Karlsruhe University from 1959 to 1966 and obtained a PhD in economic planning. Dr. Zeitler is a member of the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association.

Dr. Zeitler financed, built and managed base metal and gold mines worldwide (Europe, Africa, North America, South America, Pacific) with a total investment value of $4 billion. Dr. Zeitler was a managing director of Metallgesellschaft AG, a German metals conglomerate, and in 1986 founded and was a director and the first CEO of Metall Mining (later Inmet Mining Corporation) with assets of over $4 billion, and base metal and gold mines in different parts of the world. After having been a director of Teck and Cominco for many years, Dr. Zeitler joined Teck in 1997 as Senior Vice President and had responsibilities for the exploration and development of mines in Peru, Mexico and the USA.

Since his retirement in 2002 from Teck, and in addition to being Executive Chairman and a director of Amerigo Resources Ltd., Dr. Zeitler was Chairman of the Board of Rio Alto Limited from 2011 to 2015, a director of

Tahoe Resources Ltd. from April 2015 to May 2017, and is presently a director of Western Copper and Gold Corporation.

Ram Ramachandran:

Mr. Ramachandran has over 35 years of capital markets experience. Mr. Ramachandran has previously served as Associate Chief Accountant and Deputy Director, Corporate Finance at the Ontario Securities Commission and as a senior member in the national office of an international accounting firm. Mr. Ramachandran originally qualified as a Chartered Accountant in England & Wales in 1978 and subsequently in Ontario in 1984 (now retired).

David Thomas:

Mr. Thomas had over 40 years' experience in the mining industry. Early in his career Mr. Thomas had assignments with Kennecott Copper Corporation, Bougainville Copper Limited, Amselco Minerals, Arimetco International and Austpac Resources in Australia. He also was a Vice President and Technical Director for Mellon Bank in Pittsburgh, PA, from 1989 to 1993.

Mr. Thomas worked for 12 years for Southern Peru Copper Corporation, 1977-87 and 1997-99, based in Peru, where he served as Mine Manager, Area Manager, Chief Engineer and Vice President of Operations. From 2000 to 2001, Mr. Thomas was Vice President Technical Services for PT Freeport Indonesia. From 2002 to 2004, he worked as the Managing Director of Volta Aluminum Company in Ghana, which was owned by Kaiser Aluminum and Alcoa. During this time, he was also a Director of Anglesey Aluminum, a joint venture company of Kaiser Aluminum and Rio Tinto in Wales.

From 2005 to 2014, Mr. Thomas worked on the team developing the Toromocho Copper Project in Peru, owned by Chinalco Mining Corporation International. As well as serving as an advisor and consultant to the company, he also held the position of Vice President, Operations and Executive Vice President and Chief Operating Officer.

Mr. Thomas held a BSc in Mining Engineering from the University of Utah, and an MSc in Mineral Resources Engineering from the University of Minnesota.

Mr. Thomas passed away unexpectedly at his home in Park City, Utah on Monday, November 1, 2021. Mr. Drago Kisic was appointed to the Audit and Compensation and Governance Committees on the same date.

Drago Kisic:

Drago Kisic is a founding member and shareholder of Macro Group (Macroconsult, Macroinvest, Macrocapitales Safi, Macro Assets Management and Macro Wealth) in Peru. From 1975 to 1981 he worked as Senior Economist for the Banco Central de Reserva del Peru and was Chairman of the Board of the Comisión Nacional Supervisora de Empresas y Valores (CONASEV) between 1981 and 1982. Between 1982 and 1985 he acted as Advisor to the Executive Director of the World Bank in Washington DC, USA. In 1998 but he was a member of the Advisory Committee of the Peruvian Ministry of Foreign Affairs and President of the commission of border integration in the peace negotiations between Peru and Ecuador. Drago Kisic Wagner holds a B.S. from Pontificia Universidad Católica del Perú and a Master's degree (B-Phil) from Oxford University.

Objectives of Compensation Policy

The Company's process for determining executive compensation, which is designed to attract and retain highly qualified individuals, relies on recommendations from the CGC Committee for approval by the Company's board of directors (the "**Board**").

The CGC Committee has unrestricted access to the Corporation's personnel and documents and is provided with the resources necessary, including, as required, the engagement and compensation of outside advisors, to carry out its responsibilities.

In June 2018, the Company retained the services of an independent consulting firm, Lane Caputo Compensation Inc. ("**Lane Caputo**") to undertake a full review of the Company's compensation program for its executive officers and directors. Lane Caputo has not provided any services to the Company or its subsidiaries, or to any of its directors or members of management, other than the services discussed in this section. No fees were paid to Lane Caputo or any other compensation consultant during the years ended December 31, 2020 and December 31, 2021.

Lane Caputo provided information and advice in respect of executive compensation for the Company based on industry comparable companies and other relevant factors. A peer group of mining companies was developed against which Lane Caputo benchmarked the competitiveness of Rio2's senior executive and Board compensation practices. The 17 companies in the peer group developed for this review at that time were Almaden Minerals Ltd., Equinox Gold Corp., Sabina Gold & Silver Corp., Aquila Resources Inc., Harte Gold Corp., Victoria Gold Corp., Barkerville Gold Mines Ltd., INV Metals Inc., Vista Gold Corp., Bear Creek Mining Corp, Orezone Gold Corp., West African Resources Ltd., Belo Sun Mining Corp., Orla Mining Ltd., Western Copper and Gold Corp., Dalradian Resources Inc., and Pershing Gold Corp.

After reviewing Lane Caputo's final report and recommendation and the Company's past and existing compensation programs and levels for executives in comparison to the practices of a peer group of companies and practices in the current market, and after taking into consideration the Company's history and various potential risks associated with different compensation programs, the CGC Committee made its recommendations to the Board of Directors for approval in August 2018. The Board of Directors approved the recommendations and the new compensation program took effect, there have been no further changes to the Company's compensation programs after 2018. Please see the **Employment, Consulting and Management Agreements** section of this form for more details about NEO's employment agreements.

In evaluating the performance of the Company's executives for the possible award of bonuses or long term incentive compensation, the Compensation Committee reviews the achievement of project specific goals included in the Company's plans such as: identifying mineral prospects; executing successful drill programs; advancing or completing scoping, prefeasibility or feasibility studies; building and maintaining social licence through community relationships and initiatives; acquiring necessary permits; and successfully advancing projects and/or initiatives that accomplish the Company's goals. In addition, the Committee considers management's performance in unplanned situations and their ability to manage projects through complex political and social situations. Finally, corporate objectives such as successful capital raising (if applicable), peer benchmarking (as further discussed below) and market performance are considered. The Company's compensation of executives may consist of any or all of a base salary, cash bonuses and long-term incentive compensation.

Elements of Compensation

The Company's executive compensation policy consists of base salaries, bonuses, and long-term incentives granted through a Stock Option Plan and a Share Incentive Plan. An executive's initial base salary is recommended by the CGC Committee, based on the committee members' knowledge of typical mining industry salary levels commensurate with the executive's level of experience and skill set. The Company's executives are eligible for cash bonuses, as provided in their employment agreements. In its annual management compensation review, the CGC Committee may consider, and recommend the Board approve, the payment of a cash bonus to one or more executives to reward the achievement of performance goals or successful execution of the Company's corporate strategy.

The CGC Committee also annually considers grants under the Company's Stock Option Plan and Share Incentive Plan based on the achievement of performance goals or successful execution of the Company's corporate strategy. When considering and recommending future compensation to the Board for approval, the CGC Committee's review is focused on the individual executive salaries, performance-based bonus opportunity, and security-based award grants (including consideration of previous grants), with a review of the aggregate level of salary, performance based bonus, and security-based award grants for the balance of the staff.

The stock option plan was last approved by shareholders on September 21, 2021.

Compensation Policies and Risk Management

Through the CGC Committee, 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 CGC Committee conducts an annual review of the risks, if any, associated with the Company's compensation policies and practices. Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's Stock Option Plan and Share Incentive Plan. This structure ensures that a significant portion of executive compensation (stock options and restricted share units) are 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 (base salary) 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 its current level of activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with Rio2'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 prohibiting 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. However, the Company is not aware of any Directors or Officers having entered into this type of transaction.

NAMED EXECUTIVE OFFICER COMPENSATION

The following table (presented in accordance with National Instrument Form 51-102F6 - Statement of Executive Compensation ("Form 51-102F6")) sets forth all annual and long term compensation for services in all capacities to the Company and its subsidiaries for the last three most recently completed financial years of the Company in respect of each Named Executive Officer ("NEO").

NEO Summary Compensation Table

Name and principal position	Year(1)	Salary ($)(2)	Share based awards ($)(2)(3)	Option based awards ($)(2) (4)	Non-equity Incentive plan compensation ($)		All Other compensation ($)		Total compensation ($)
					Annual Incentive plans(5)	Long term incentive plans	Annual Fees	Other	
Alexander Black, CEO, President & Director(6)	2021 2020 2019	300,000 300,000 300,000	Nil Nil 58,784	Nil Nil 169,830	200,000 200,000 Nil	N/A N/A N/A	Nil Nil Nil	26,463 706 Nil	526,464 500,706 528,614
Kathryn Johnson, EVP, CFO & Corporate Secretary	2021 2020 2019	250,000 197,500 180,000	Nil 69,325 Nil	129,136 80,716 101,898	125,000 50,000 Nil	N/A N/A N/A	Nil Nil Nil	12,090 1,612 Nil	516,227 399,153 281,898
Jose Luis Martinez, EVP, CSO	2021 2020 2019	250,000 250,000 250,000	Nil 103,988 Nil	129,136 121,073 509,492	125,000 50,000 150,000	N/A N/A N/A	Nil Nil Nil	13,058 1,387 Nil	517,194 526,447 909,492
Andrew Cox, EVP & COO(7)	2021 2020 2019	280,000 272,000 264,000	Nil 103,988 Nil	129,136 121,073 67,932	140,000 50,000 Nil	N/A N/A N/A	Nil Nil Nil	50,920 640 Nil	600,057 547,700 331,932
Ian Dreyer, SVP Technical Services	2021 2020 2019	222,000 222,000 222,000	Nil Nil Nil	64,568 60,537 67,932	110,000 Nil Nil	N/A N/A N/A	Nil Nil Nil	16,121 523 Nil	412,689 283,059 289,932

(1) Fiscal Year ending December 31, 2021.
(2) All compensation amounts awarded, earned, paid, or payable are reflected in US Dollars, which is the functional/reporting currency of the Company. Amounts denominated in C$ have been converted into US$ for reporting purposes at an average exchange rate. For the financial year ended December 31, 2021 the average exchange rate was C$1.2535/US$1.00. For the financial years ended December 31, 2020 and 2019 the average exchange rate was C$1.3415/US$1.00 and C$1.3269/US$1.00, respectively. The exchange rate was acquired from the Bank of Canada.
(3) Value of Restricted Share Units granted during the year. Value is calculated based on the closing value of Rio2 share value on the TSX-V on the date of issuance.
(4) Value of Stock Options granted during the year. Value is calculated for options granted during the year using the Black Scholes Option Pricing Model and the following assumptions: expected dividend yield (0%), expected stock price volatility (157%), risk-free interest rate (0.36%) and expected life of options (5 years). The Company selected the Black Scholes model given its prevalence of use within North America.
(5) Bonuses earned during the financial year.
(6) Mr. Black did not receive any additional compensation for serving as a director of the Company.
(7) Mr. Cox was appointed Executive Vice President - Chief Operating Officer on July 8, 2020.

Employment, Consulting and Management Agreements

As of the date of this Information Circular, the Company has employment agreements with Ms. Johnson, Messrs. Black, Dreyer and Cox, and a Consulting Services Agreement with IBLATAM, a company controlled by Mr. Jose Luis Martinez, that include compensation in the form of salary, bonuses, and share awards as well as the payment of benefits in the event of termination of employment or change of control of the Company.

Alex Black, President & CEO

The Company entered into an employment agreement with Mr. Black on August 31, 2018 with an effective date of September 1, 2018. The agreement has an indefinite term, provides for an annual salary of US$300,000 and entitles Mr. Black to participate in the Company's option and share incentive plans and group health insurance plan. Mr. Black may terminate his employment agreement with thirty (30) days' written notice to the Company. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Black.

Kathryn Johnson, EVP - CFO & Corporate Secretary

The Company entered into an employment agreement with Ms. Johnson on September 19, 2018 with an effective date of August 1, 2018. The agreement had an indefinite term, provided for an annual salary of $180,000 and entitled Ms. Johnson to participate in the Company's option and share incentive plans and group health insurance plan. On October 1, 2020, Ms. Johnson's salary was increased to $250,000 all other terms of her employment agreement remain unchanged. Ms. Johnson may terminate her employment agreement with thirty (30) days' written notice to the Company. The Company may terminate her agreement for cause at any time with no further obligations to Ms. Johnson.

Jose Luis Martinez, EVP - Chief Strategy Officer

The Company entered into an employment agreement with Mr. Martinez on September 19, 2018, with an effective date of August 1, 2018. The agreement had an indefinite term, provided for an annual salary of $250,000, and entitled Mr. Martinez to participate in the Company's option and share incentive plans and group health insurance plan. On January 1, 2022, Mr. Martinez terminated his employment agreement with Rio2; on the same date IBLATAM Inc., a company of which Jose Luis Martinez is the principal, entered into a Consulting Services Agreement with Rio2. This agreement provides for a monthly consultancy fee of $22,833.34 (plus any applicable taxes). Additionally, Mr. Martinez (the "Consultant") will be eligible to receive an incentive fee on such terms and in such amount as may be determined by Rio2 in its sole and absolute discretion from time to time and to participate in Rio2's Stock Option Plan and Share Incentive Plan. Mr. Martinez may terminate his consulting agreement with thirty (30) days' written notice to the Company and Rio2 may terminate the consulting agreement without good reason upon providing the Consultant with thirty (30) days advance written notice.

Andrew Cox, EVP - Chief Operating Officer

Rio2 SAC, a wholly-owned subsidiary of Rio2 Limited, entered into an employment agreement with Mr. Cox on August 1, 2018 by which Mr. Cox would be Senior Vice President - Operations. The agreement had an indefinite term, provides for an annual salary of $264,000 and entitled Mr. Cox to participate in the Company's option and share incentive plans and group health insurance plan. The agreement was amended on July 7, 2020 to reflect Mr. Cox's appointment as Executive Vice President - Chief Operating Officer. The amended agreement provides for an annual salary of $280,000; all other terms remain unchanged. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Cox.

Ian Dreyer, SVP - Technical Services

Rio2 SAC, a wholly-owned subsidiary of Rio2 Limited, entered into an employment agreement with Mr. Dreyer on September 1, 2018 by which Mr. Dreyer would be Senior Vice President - Technical Services. The agreement has an indefinite term, provides for an annual salary of U$222,000 and entitles Mr. Dreyer to participate in the Company's option and share incentive plans and group health insurance plan. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Dreyer.

Termination and Change of Control Benefits

On August 1, 2018, the Company entered into employment agreements with Kathryn Johnson, Andrew Cox, and Ian Dreyer; on September 1, 2018, with Alex Black; and on January 1, 2022, with IBLATAM (a company controlled by Jose Luis Martinez).

Alex Black

If the Company terminates his employment agreement without cause, Mr. Black will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, he will receive a retiring allowance equal to the sum of two years of base salary; plus, if an annual incentive bonus target amount has been set by the Board, an amount equal to the Executive's annual incentive bonus target amount in effect on the termination date multiplied by two, provided if no annual incentive bonus target has been set by the Corporation, then an amount equal to the average of incentive bonuses awarded for the previous two years multiplied by two. He will also be entitled to continue in the Company's group health insurance plan for two years from termination date. If within twelve months of a change of control Mr. Black is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary plus an amount equal to two times the annual incentive bonus (if such bonus target amount has been set by the Board), and the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

Kathryn Johnson

If the Company terminates her employment agreement without cause, Ms. Johnson will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, she will be entitled to a retiring allowance equal to the sum of two years of base salary; plus, if an annual incentive bonus target amount has been set by the Board, an amount equal to the Executive's annual incentive bonus target amount in effect on the termination date multiplied by two, provided if no annual incentive bonus target has been set by the Corporation, then an amount equal to the average of incentive bonuses awarded for the previous two years multiplied by two. If there is a change of control, or within twelve months of a change of control, Ms. Johnson is terminated by the Company, she will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times her annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to her under the Share Incentive and Stock Option Plans.

Jose Luis Martinez

If the Company terminates his consulting agreement without good reason, Mr. Martinez will be entitled to the monthly consultancy fee; any accrued or unpaid incentive fee; two years of consultancy fees; and, if an annual incentive fee target has been set by the Company, an amount equal to that annual incentive fee target multiplied by two, provided if no annual incentive fee target has been set by Rio2, an amount equal to the average of incentive fees awarded (or, as applicable, the annual bonus awarded to Mr. Martinez as an employee of Rio2 for the years of 2020 and 2021) for the previous two years multiplied by two. If there is a change of control, or within six (6) months of the change of control, Mr. Martinez will be entitled to be provided with payment of the accrued monthly consultancy fees, any accrued and unpaid incentive fee, two years of consultancy fees, and, if an annual incentive fee target has been set by Rio2 for the Consultant as of the date of such termination, an amount equal to that annual incentive fee target multiplied by two, provided if no annual incentive fee target has been set by Rio2, an amount equal to the average of incentive fees awarded (or, as applicable, the annual bonus awarded to Mr. Martinez as an employee of Rio2 for the years of 2020 and 2021) for the previous two years multiplied by two; and the immediate vesting of any unvested securities under the Option Plan, the Share Incentive Plan or any Other Plans which had been granted to the Consultant prior to the change in control.

Andrew Cox

If the Company terminates his employment agreement without cause, Mr. Cox will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, he will be entitled to a retiring allowance equal to the sum of two years of base salary; plus, if an annual incentive bonus target amount has been set by the Board, an amount equal to the Executive's annual incentive bonus target amount in effect on the termination date multiplied by two, provided if no annual incentive bonus target has been set by the Corporation, then an amount equal to the average of incentive bonuses awarded for the previous two years multiplied by two. If there is a change of control or within twelve months of a change of control Mr. Cox is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times his annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

Ian Dreyer

If the Company terminates his employment agreement without cause, Mr. Dreyer will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, he will be entitled to a retiring allowance equal to the sum of two years of base salary; plus, if an annual incentive bonus target amount has been set by the Board, an amount equal to the Executive's annual incentive bonus target amount in effect on the termination date multiplied by two, provided if no annual incentive bonus target has been set by the Corporation, then an amount equal to the average of incentive bonuses awarded for the previous two years multiplied by two. If within twelve months of a change of control Mr. Dreyer is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times his annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

Under the Company's stock option plan, upon termination (other than for cause), vested options may be exercised for a period of one year following the optionee's termination. Under the Company's share incentive plan, all outstanding vested awards shall be terminated and all rights to receive common shares thereunder shall be forfeited effective 30 days from the cessation date.

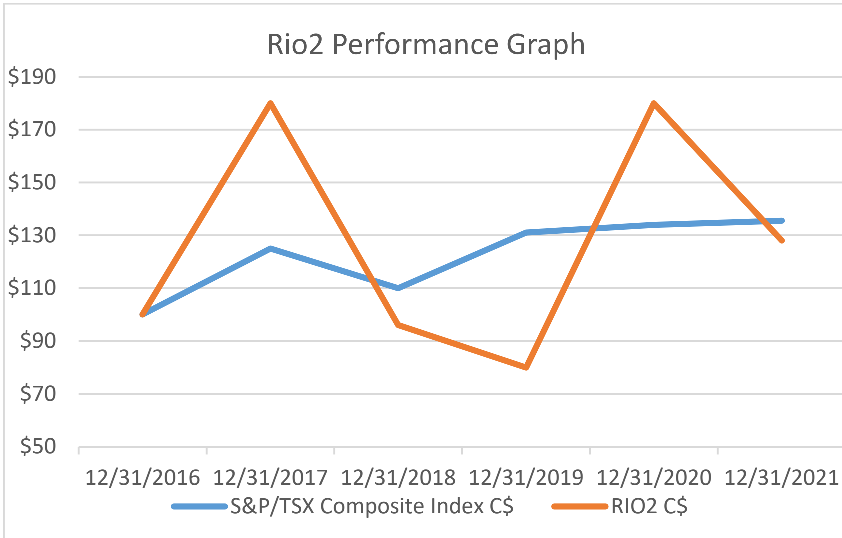
The following table provides detail regarding the estimated payments to each NEO on a termination without cause or following a change of control, assuming a triggering event occurred on December 31, 2021, calculated under the employment contracts in effect at the time. Amounts shown are exclusive of applicable taxes.

	Severance Payment	
Name and principal position	**Termination severance payment following without cause termination $**	**Termination following change of control resulting in severance payment $**
Alex Black	1,000,000	1,000,000
Kathryn Johnson	703,408	703,408
Jose Luis Martinez	705,681	705,681
Andrew Cox	655,000	655,000
Ian Dreyer	499,000	499,000

For more detail regarding executives' employment agreements please see the **Employment, Consulting and Management Agreements** section of this document.

Rio2 Performance Graph

The following performance graph illustrates the Company's five-year cumulative total shareholder return (assuming reinvestment of dividends, if any, on each dividend payment date) on a $100 investment in the Company's Shares compared to the return on a comparable investment on the S&P/TSX Composite Index. The share trading data is as reported by the TSX.



	S&P/TSX Composite Index	RIO
	C$	C$
12/31/2016	100	100
12/31/2017	125	180
12/31/2018	110	96
12/31/2019	131	80
12/31/2020	134	180
12/31/2021	136	128

There is little correlation between the compensation of Named Executive Officers and the stock price of the Company. Stock prices are affected by many external factors in the mineral exploration industry and the retention and compensation of senior executives to manage the Company cannot be directly related to stock price. There are two factors that are important in consideration of the stock price as compared to executive compensation: (1) the senior executives of the Company are significant shareholders of the Company so that changes in the stock price do affect them directly, and (2) the Share-Based portion of NEOs' compensation package.

Rio2 is focusing on creating long-term value for shareholders rather than short-term fluctuations in share price, and our compensation plans reflect that focus. Over the last three years, the Company has transformed from a junior explorer to a developer with the receipt of the EIA approval for the Fenix Gold Project expected during 2022. At such Rio2's Board believes executive compensation practice is effective and supports the relationship between the compensation earned by Rio2's NEOs and the progress achieved by the Company.

NEO Outstanding Share-based awards and option-based awards

This table includes all awards outstanding at the end of December 31, 2021.

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (1)**	**Option exercise price (C$)**	**Option expiration date**	**Value of unexercised in-the-money options(2) ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Alexander Black, CEO, President & Director	500,000	0.55	Sep 9, 2024	35,495	50,000	25,241	Nil
Kathryn Johnson, EVP, CFO & Corporate Secretary	166,675 66,670 120,000 300,000 200,000 300,000	2.56 0.82 0.65 0.55 0.65 0.65	May 30, 2022 Mar 29, 2023 Sep 27, 2023 Sep 9, 2024 Jun 26, 2025 Sep 21, 2026	N/A N/A N/A 21,297 N/A N/A	66,667	33,654	Nil
Jose Luis Martinez, EVP, CSO	333,350 133,340 200,000 1,500,000 300,000 300,000	1.53 0.82 0.65 0.55 0.65 0.65	Mar 1, 2022 Mar 29, 2023 Sep 27, 2023 Sep 9, 2024 Jun 26, 2025 Sep 21,2026	N/A N/A N/A 106,484 N/A N/A	100,000	50,481	Nil
Andrew Cox, (3) EVP & COO	166,675 66,670 90,000 200,000 300,000 300,000	1.66 0.82 0.65 0.55 0.65 0.65	Sep 1, 2022 Mar 29, 2023 Sep 27, 2023 Sep 9, 2024 Jun 26, 2025 Sep 21, 2026	N/A N/A N/A 14,198 N/A N/A	100,000	50,481	Nil
Ian Dreyer, SVP Technical Services	166,675 66,670 90,000 200,000 150,000 150,000	$1.53 $0.82 $0.65 $0.55 $0.65 $0.65	Mar 1, 2022 Mar 29, 2023 Sep 27, 2023 Sep 9, 2024 Jun 26, 2025 Sep 21, 2026	N/A N/A N/A 14,198 N/A N/A	Nil	Nil	Nil

(1) Each stock option is exercisable for one common share for a period of five years from grant and are priced in C$. Value is calculated by multiplying the number of securities which may be acquired on exercise of the options by the difference, if any, between the market value of the securities underlying the options at financial year-end and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C$1.2678/US$1.000. The exchange rate was acquired from the Bank of Canada. The closing price for the Company's shares on December 31, 2021 was C$0.64. The value shown in this column does not represent the actual value the individual could receive. The actual gain, if any, on exercise will depend on the price of Rio2's common shares on the date of exercise.

(2) The options granted by Rio2 vest 1/3 equally over a three-year period.
(3) Mr. Cox was appointed EVP - Chief Operating Officer on July 8, 2020.

None of the awards disclosed in the table above have been transferred at any price other than fair market value.

NEO Incentive Plan Awards – value vested or earned during the year

The following table illustrates the value earned or vested by each NEO during the year ended December 31, 2021.

Name	Option-based awards – Value vested during the year (1)(2) ($)	Share-based awards – Value vested during the year (3) ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Alexander Black, CEO, President & Director	11,967	51,057	Nil
Kathryn Johnson, EVP, CFO & Corporate Secretary	14,094	37,229	Nil
Jose Luis Martinez, EVP, CSO	46,270	55,884	Nil
Andrew Cox, (4) EVP & COO	15,158	55,844	Nil
Ian Dreyer, SVP Technical Services	9,972	Nil	Nil

(1) Value calculated by multiplying the number of options vesting by the difference between the market price of the common shares on the vesting date and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C$1.2535/US$1.000, which is the average exchange rate for the year ended December 31, 2021. The exchange rate was acquired from the Bank of Canada. The exchange rate was acquired from the Bank of Canada.
(2) The options granted by Rio2 vest 1/3 equally over a three-year period.
(3) Value calculated by multiplying the number of shares by the market value of the underlying shares on the vesting date. The amount is then converted to US dollars at an exchange rate of C$1.2535/US$1.000, which is the average exchange rate for the year ended December 31, 2021. The exchange rate was acquired from the Bank of Canada.
(4) Mr. Cox was appointed Chief Operating Officer on July 8, 2020.

Stock Options and Other Compensation Securities

Share Incentive Plan

The Company's Share Incentive Plan (the "**Share Plan**") is administered by the CGC Committee of the Board of Directors and it was ratified and re-approved by shareholders on July 16, 2018. The Share Plan is a fixed plan; therefore, it is not subject to annual shareholder approval. However, approval will be sought if amendments are required.

Two types of share awards may be granted under the Share Plan: time-based awards and performance-based awards. In determining the persons to whom awards may be granted, the number of Common Shares to be covered by each award and the allocation of the award between time-based awards and performance-based awards, the Board of Directors may take into account such factors as it shall determine in its sole discretion, including any one or more of the following factors:

i. compensation data for comparable benchmark positions among the Company's peer comparison group;
ii. the duties, responsibilities, position and seniority of the grantee;
iii. various corporate performance measures for the applicable period compared with internally established performance measures approved by the Company's board and/or similar performance;
iv. measures of members of the Company's peer comparison group for such period;
v. the individual contributions and potential contributions of the grantee to the Company's success;
vi. the fair market value or current market price of the Common Shares at the time of such award; and
vii. such other factors as the Board of Directors deems relevant in its sole discretion in connection with accomplishing the purposes of the Share Plan.

The Share Plan contains the following restrictions:

i. the aggregate number of awards that could be issued to any single holder shall not exceed 1% of the aggregate number of issued and outstanding Common Shares (including Common Shares issuable upon exchange of exchangeable shares of the Company and/or other fully paid securities exchangeable into Common Shares) ("Total Common Shares") in any 12-month period (unless the Company has obtained disinterested shareholder approval);
ii. the aggregate number of awards that could be issued to Insiders (as defined by the applicable Stock Exchange) shall not exceed 2% of the Total Common Shares in any 12-month period (unless the Company has obtained disinterested shareholder approval);
iii. the maximum number of Common Shares that are issuable at any time under the Share Plan shall not exceed 1,823,033 Common Shares; and
iv. the number of Common Shares that are issuable at any time, under the Share Plan or when combined with all of the Company's other security based compensation arrangements (including but not limited to the Option Plan), shall not exceed 10% of the Total Common Shares.

Payment arrangements shall be as follows, unless otherwise directed by the Board:

i. as to 1/3 of the award value of such award, on the first anniversary of the date of grant of the award;
ii. as to 1/3 of the award value of such award, on the second anniversary of the date of grant of the award; and
iii. as to the remaining 1/3 of the award value of such award, on the third anniversary of the date of grant of the award.

If the holder is on a leave of absence before any of the payment dates, such payment date(s) shall be extended by that portion of the duration of the leave of absence that is in excess of three (3) months. In the event that any payment date falls during a black-out period, such payment date shall be amended to the date that is three (3) business days following the date the black-out is lifted. In the event of a change of control (as defined in the Share Incentive Plan), the payment date for the award value of those incentive awards that have not yet been paid as of such time shall be the closing date of the change of control and the payout multiplier applicable to any performance based awards shall be determined by the board. In no event shall a payment date be later than December 15th of the third year following the year in which the award was granted.

On the payment date, the Company has sole and absolute discretion in settling the value of the notional Common Shares underlying the award, by any of the following methods or by a combination of such methods: (i) payment in Common Shares issued from treasury; (ii) payment in cash; or (iii) payment in Common Shares acquired by the Company on a stock exchange.

The Share Plan does not contain any provisions for financial assistance by the Company in respect of any awards granted thereunder.

The principal objectives of the Share Plan are:

a. to retain and attract the qualified directors, officers, employees and other service providers that the Company requires;
b. to promote a proprietary interest in us by such persons and to encourage such persons to remain in the Company's employ and put forth maximum efforts for the success of the Company's business; and
c. to focus the Company's management on operating and financial performance and long-term total shareholder return.

The Company believes this Share Plan provides competitiveness within the Canadian mining industry and facilitates the achievement of the Company's long-term goals. In addition, this incentive-based compensation program is intended to reward the Company's directors, officers, employees and other service providers for meeting certain pre-defined operational and financial goals which have been identified for increasing long-term total shareholder return.

The Share Plan contains anti-dilution provisions which allow the Board to make such adjustments to the Share Plan, to any awards as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to holders thereunder.

The summary is qualified in its entirety by reference to the full text of the Rio2 Share Incentive Plan, a copy of which can be found on Sedar at www.sedar.com.

Stock Option Plan

The Company's Incentive Stock Option Plan (the "**Option Plan**") is administered by the CGC Committee of the Board of Directors and it was last approved by shareholders on September 21, 2021. This is a "rolling plan" and as such it requires annual approval by shareholders. The Option Plan is governed by and construed in accordance with the laws of the Province of Ontario.

The aggregate number of shares issuable upon the exercise of all options granted under the Option Plan, when combined with the securities issuable under all other security based compensation arrangements, including the Share Plan, shall not exceed 10% of the issued and outstanding common shares of the Company from time to time.

If any Option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Option Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Option Plan.

a) The number of shares subject to options shall be determined the Board, but no one Participant shall be granted Options which exceed, in aggregate, the maximum number permitted by the TSX Venture Exchange.

b) The aggregate number of Shares that may be issued pursuant to the exercise of Options awarded under the Option Plan and all other security based compensation arrangements of the Company is 10% of the issued and outstanding Shares from time to time, subject to the following additional limitations:

i. the aggregate number of Shares reserved for issuance to any one person under the Plan, together with all other share compensation arrangements of the Company, within a 12-month period, must not exceed 5% of the outstanding issue of Shares (on a non-diluted basis);

ii. the aggregate number of Shares reserved for issuance to any one Insider pursuant to the Plan, together with all other share compensation arrangements of the Company, must not exceed 5% of the outstanding issue of Shares;

iii. the aggregate number of Shares issued to Insiders pursuant to the Option Plan, together with all other share compensation arrangements of the Company, within a 12-month period, must not exceed 10% of the outstanding issue of Shares; and

iv. the aggregate number of Shares reserved for issuance to Insiders pursuant to the Option Plan, together with all other share compensation arrangements, at any time, must not exceed 10% of the issue of Shares;

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Company, the exercise price of an Option granted under the Option Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares.

In the event that the Company proposes to reduce the exercise price of Options granted to an Optionee who is an Insider of the Company at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the reduction of the exercise price, if required by the rules and policies of the Exchange then in effect.

The Option Plan also includes a black out provision. Pursuant to the policies of the Company respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Company's securities. These periods are referred to as "blackout periods". A black out period is designed to prevent a person from trading while in possession of material information that is not yet available to other shareholders.

The regulatory authorities recognize these blackout periods might result in an unintended penalty to employees who are prohibited from exercising their Options during that period because of their company's internal trading policies. As a result, certain regulatory authorities have provided a framework for extending Options that would otherwise expire during a black out period. The Option Plan includes a provision that should an Option expiration date fall within a black out period or immediately following a black out period, the expiration date will automatically be extended for 10 business days following the end of the blackout period.

The maximum length of any Option shall be ten (10) years from the date the Option is granted. Notwithstanding the above, a participant's Options will expire one (1) year after a participant ceases to act for the Company, other than for cause or by reason of death. Options of a participant that provides investor relations activities will expire 30 days after the cessation of the participant's services to the Company. In the event of the death of a participant, the participant's estate shall have twelve (12) months in which to exercise the outstanding Options. If a participant ceases to be a director, officer, employee of, or consultant to, the Company for cause, any granted but unexercised Options shall terminate and become null and void immediately. The Options are not assignable, other than by reason of death.

If the number of outstanding Common Shares are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Company or another company or entity through a reorganization, amalgamation, arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision, consolidation or similar transaction, or in case of any transfer of all or substantially all of the assets or undertaking of the Company to another entity (any of which being, a "Reorganization"), any adjustments relating to the Common Shares subject to Options or issued on exercise of Options and the exercise price per Common Share shall be adjusted by the Board of Directors, in its sole and absolute discretion, provided that a participant shall be thereafter entitled to receive the amount of securities or property (including cash) to which such participant would have been entitled to receive as a result of such Reorganization if, on the effective date thereof, he had been the holder of the number of Common

Shares to which he was entitled upon exercise of his Option(s). The Option Plan provides for cashless exercise but does not provide for any financial assistance from the Company to facilitate the exercise of Options.

Under the rules and policies of certain stock exchanges, an option plan should have proper amendment provisions which specifies whether shareholder approval is required for a type of amendment and such amendment procedure must be approved by shareholders. The amendment provisions of the Option Plan allow the Board of Directors to terminate or discontinue the Option Plan at any time without the consent of the option holders provided that such termination or discontinuance shall not result in a material adverse change to the terms of any Options granted under the Option Plan.

The Board of Directors may not amend the Option Plan and any Options granted under it without further shareholder approval, to the extent that such amendments relate to among other things:

a. reducing the exercise price of an Option;
b. canceling any Options previously granted and re-issuing such Options;
c. extending the original expiry date of an Option;
d. amending the limitations on the maximum number of Common Shares reserved or issued to Insiders;
e. amending the limitations on the maximum number of Shares reserved or issued to Non-Management Directors;
f. increasing the maximum number of Options issuable pursuant to the Option Plan;
g. making any amendment to the Option Plan that would permit a optionee to transfer or assign Options to a new beneficial holder other than in the case of death of the optionee; or
h. amend the amendment provisions of the Option Plan.

In the cases of a, b, c, and d above, the votes attached to Common Shares held directly or indirectly by Insiders benefiting from the amendments will be excluded. The foregoing amendments to the Option Plan are subject to disinterested shareholder approval.

The principal objectives of the Company's Option Plan are:

a. to provide incentive compensation to directors, officers, employees and consultants of the Company and its subsidiaries;
b. to assist the Company and its subsidiaries in attracting, motivating and retaining qualified directors, management personnel and consultants; and
c. to provide additional incentive for participants' efforts to promote the growth and success of the business of the Company.

The full text of the Option Plan is available on the Company's profile with SEDAR and a copy can be obtained by contacting the Company by email to info@rio2.com or by phone calling +1 604 260-2696.

Pension

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth all amounts of compensation provided to directors who are not NEOs for the financial year ended December 31, 2021.

Name	Fees Earned (1) ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-equity incentive Plan Compensation ($)	All Other Compensation ($)(2)	Total ($)
Klaus Zeitler	38,304	Nil	64,568	Nil	8,778	111,650
Ram Ramachandran	30,324	Nil	64,568	Nil	8,778	103,670
Dave Thomas	26,334	Nil	64,568	Nil	8,778	99,680
Albrecht Schneider	21,546	Nil	64,568	Nil	8,778	94,892
Sidney Robinson	21,546	Nil	64,568	Nil	8,778	94,892
Drago Kisic	21,546	Nil	64,568	Nil	8,778	94,892

(1) See Compensation of Directors below.
(2) Payment of Meeting Fees.

The compensation set out in the preceding table was paid to the Directors for acting in their capacity as Directors and committee members, and for meeting and committee participation.

Compensation of Directors

On July 1, 2019, the Board of Directors adopted a Directors' compensation plan (the "**Directors' Compensation Plan**").

The objectives of the plan are:

- to attract and retain Directors with the skills and experience necessary to provide excellence in board oversight;
- to remunerate Directors for the substantial amount of time and level of responsibility dedicated to the Company; and
- to align Directors' interests with those of Shareholders.

Director Outstanding Share-based awards and option-based awards

This table includes all awards outstanding at the end of December 31, 2021.

	Option-based Awards				Share-based Awards		
Name	Number of securities underlying unexercised options (1) (#)	Option exercise price (C$)	Option expiration date	Value of unexercised in-the-money options(2) ($)	Number of shares or units of shares that have not vested (3) (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Klaus Zeitler	166,675	1.53	Mar 1, 2022	N/A	Nil	N/A	N/A
	66,670	0.82	Mar 29, 2023	N/A			
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	14,198			
	150,000	0.65	June 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Ram Ramachandran	166,675	2.25	Apr 24, 2022	N/A	Nil	N/A	N/A
	66,670	$0.82	Mar 29, 2023	N/A			
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	14,198			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Dave Thomas	166,675	2.25	Apr 24, 2022	Nil	Nil	N/A	N/A
	66,670	0.82	Mar 29, 2023	N/A			
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	14,198			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Albrecht Schneider	100,000	0.65	Sep 27, 2023	N/A	Nil	N/A	N/A
	200,000	0.55	Sep 9, 2024	14,198			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Sidney Robinson	166,675	2.25	Apr 24, 2022	N/A	Nil	N/A	N/A
	66,670	0.82	Mar 29, 2023	N/A			
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	14,198			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Drago Kisic	200,000	0.55	Sep 9, 2024	14,198	Nil	N/A	N/A
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			

(1) Each stock option is exercisable for one common share for a period of five years from grant and are priced in C$.

(2) Value is calculated by multiplying the number of securities which may be acquired on exercise of the options by the difference, if any, between the market value of the securities underlying the options at financial year-end and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C$1.2535/US$1.000, which is the average exchange rate for the year ended December 31, 2021. The exchange rate was acquired from the Bank of Canada. The closing price for the Company's shares on December 31, 2021 was $0.64.
(3) The options granted by Rio2 vest 1/3 equally over a three-year period.

None of the awards disclosed in the table above have been transferred at any price other than fair market value.

Director Incentive Plan Awards – value vested or earned during the year

The following table illustrates the value earned or vested by each NEO during the year ended December 31, 2021.

Name	Option-based awards – Value vested during the year (1) (2) ($)	Share-based awards – Value vested during the year (3) ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Klaus Zeitler	9,972	Nil	Nil
Ram Ramachandran	9,972	Nil	Nil
Dave Thomas	9,972	Nil	Nil
Albrecht Schneider	9,972	Nil	Nil
Sidney Robinson	9,972	Nil	Nil
Drago Kisic	9,972	Nil	Nil

(1) Value calculated by multiplying the number of options vesting by the difference between the market price of the common shares on the vesting date and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C$1.2535/US$1.000, which is the average exchange rate for the year ended December 31, 2021. The exchange rate was acquired from the Bank of Canada.
(2) The options granted by Rio2 vest 1/3 equally over a three-year period.
(3) Value calculated by multiplying the number of shares by the market value of the underlying shares on the vesting date.

Exercise of Stock Options

During the financial year ended December 31, 2021 no NEO or directors of the Company exercised incentive stock options.
