

**Plurilock Security Inc.
(the "Company")**

Form 51-102F6V

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS
(for financial years ended December 31, 2020 and September 30, 2019)**

General

The following information, dated as of March 18, 2021, is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers (the "Form"), as such term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*.

For the purposes of this Statement of Executive Compensation:

"**Company**" means Plurilock Security 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;

"**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

During financial year ended December 31, 2020, based on the definition above, the NEOs of the Company were: Ian L Paterson, CEO and director, Roland Sartorius, CFO and Corporate Secretary, and Jord Tanner, Chief Technology Officer ("**CTO**"). Robert Kiesman, former CEO and director resigned as CEO on September 17, 2020. Mark Orsmond, former CFO, Corporate Secretary and director resigned on September 17, 2020.

The Directors of the Company who were not NEOs during the financial year ended December 31, 2020 were: Robert Kiesman, Barry Carlson, Mike McConnell and Ed Hammersla. Mark Orsmond, Merv Chia and Kendra Low resigned as directors of the Company on September 17, 2020. Barry Carlson, Mike McConnell and Ed Hammersla were appointed directors on September 17, 2020.

During financial year ended September 30, 2019, based on the definition above, the NEOs of the Company were: Robert Kiesman, former CEO and director, Mark Orsmond, former CFO, Corporate Secretary and director.

The Directors of the Company who were not NEOs during the financial year ended September 30, 2019 were: Merv Chia and Kendra Low.

The Company is authorized to issue an unlimited number of Common Shares without par value, each carrying the right to one vote. The Company's Common Shares are listed on the TSX Venture Exchange under stock symbol "PLUR". The Company is also listed on the OTCQB under stock symbol "PLCKF".

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 December 31, 2020 and September 30, 2019. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” in this Form.

Table of Compensation, Excluding Compensation Securities in Financial Years ended December 31, 2020 and September 30, 2019

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 (\$)
Ian L. Paterson ⁽¹⁾ CEO and Director	2020	51,042	5,980	Nil	Nil	14,440	71,461
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Roland Sartorius ⁽²⁾ CFO and Corporate Secretary	2020	43,750	8,750	Nil	Nil	745	53,245
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jord Tanner ⁽³⁾ CTO	2020	39,375	Nil	Nil	Nil	10,923	50,298
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Robert Kiesman ⁽⁴⁾ Chairman of the Board and Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Barry Carlson ⁽⁵⁾ Director	2020	Nil	Nil	Nil	Nil	108	108
	2019	Nil	Nil	Nil	Nil	Nil	Nil
William Hammersla ⁽⁶⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Michael McConnell ⁽⁷⁾ Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Mark Orsmond ⁽⁸⁾ Former CFO, Corporate Secretary & Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Kendra Low ⁽⁹⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Merv Chia ⁽¹⁰⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Paterson was appointed CEO and Director effective September 17, 2020.
- (2) Mr. Sartorius was appointed CFO and Corporate Secretary effective September 17, 2020.
- (3) Mr. Tanner was appointed CTO effective September 17, 2020.
- (4) Mr. Kiesman was appointed to the Board of Directors on July 5, 2018 and was CEO from July 5, 2018 to September 17, 2020.
- (5) Mr. Carlson was appointed to the Board of Directors on September 17, 2020.
- (6) Mr. Hammersla was appointed to the Board of Directors on September 17, 2020.
- (7) Mr. McConnell was appointed to the Board of Directors on September 17, 2020.
- (8) Mr. Orsmond was CFO and a Director from July 5, 2018 to September 17, 2020.
- (9) Ms. Low was a Director from December 11, 2018 to September 17, 2020.
- (10) Mr. Chia was a Director from July 5, 2018 to September 17, 2020.

Stock Options and Other Compensation Securities

The Company has a fixed share option plan (option-based awards) in place. See descriptions of the Fixed Share Option Plan below.

Fixed Stock Option Plan (Option-Based Awards)

The Company has a 20% fixed stock option plan dated for reference October 26, 2020 (the “Fixed Option Plan”), which is to be approved by shareholders at the Company’s July 2, 2021 Annual General Meeting. The Fixed Option Plan is designed to provide certain directors, officers and other key employees of the Company with incentive share options at the discretion of the Board. Under the Fixed Option Plan, a maximum of 9,011,158 common shares are reserved for Options, together with all other share compensation arrangements.

Options are to be granted at the discretion of the Board to Service Providers as defined in the Fixed Option Plan.

The material terms of the Fixed Option Plan are as follows:

- (a) Service Provider means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (b) Maximum Plan Shares - The aggregate number of Fixed Option Plan Shares that may be reserved for issuance under the Fixed Option Plan, together with all other share compensation arrangements of the Company, is fixed at 9,011,158 Shares, unless the Fixed Option Plan is amended pursuant to the requirements of TSX Venture Exchange Policies.
- (c) Limitations on Issue - the following restrictions on issuances of Options are applicable under the Fixed Option Plan:
 - i. no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the outstanding Common Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
 - ii. the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the outstanding Common Shares, calculated at the time of grant, without the prior consent of the; and
 - iii. the aggregate number of Options granted to any one Consultant in any 12-month period cannot exceed 2% of the outstanding Common Shares, calculated at the time of grant, without the prior consent of the TSX Venture Exchange (the "TSXV").
- (d) Maximum Percentage to Insiders. The aggregate number of Common Shares reserved for issuance to Insiders under the Fixed Option Plan will not exceed 10% of the Company's outstanding Common Shares.
- (e) Maximum Percentage to Insiders within any one-year period. The number of Common Shares issued to Insiders within any one-year period, under the Fixed Option Plan will not exceed 10% of the Company's outstanding Common Shares.
- (f) Exercise Price. The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Fixed Option Plan, and cannot be less than the Discounted Market Price (as defined by Policy 1.1 of the TSXV);
- (g) Vesting of Options. Vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Fixed Option Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:
 - i. the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
 - ii. the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.
- (h) Vesting of Options Granted to Consultants Conducting Investor Relations Activities. Options granted to Consultants conducting Investor Relations Activities will vest:
 - i. over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or

ii. such longer vesting period as the Board may determine

- (i) Term of Option. An Option can be exercisable for a maximum of 10 years from the Effective Date.
- (j) Expiry Date. Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:
- i. in the case of the death of an Optionee, any vested Option held by such Optionee at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
 - ii. an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
 - iii. in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.
- (k) Assignability of Options. All Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.
- (l) Amendment of the Plan by the Board of Directors. Subject to the requirements of TSXV policies, and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Fixed Option Plan or any granted Options as follows:
- i. it may make amendments which are of a typographical, grammatical or clerical nature only;
 - ii. it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSXV, if applicable;
 - iii. it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
 - iv. it may make amendments necessary as a result in changes in securities laws applicable to the Company;
 - v. if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
 - vi. it may make such amendments as reduce, and do not increase, the benefits of this Fixed Option Plan to Service Providers.
- (m) Amendments Requiring Disinterested Shareholder Approval. The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
- (a) the Fixed Option Plan, together with all of the Company's other Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the outstanding Common Shares in the event that the Fixed Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares;

- (ii) the number of optioned Common Shares issued to Insiders within a one-year period exceeding 10% of the outstanding Common Shares in the event that the Fixed Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares; or,
 - (iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the outstanding Common Shares; or
- (b) any reduction in the Exercise Price of an Option previously granted to an Insider.
- (n) Takeover Bid. If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to the approval of TSXV for vesting requirements imposed by TSXV policies.
 - (o) Black-Out Period. The Option Plan also contains a "black-out" provision. Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to the approval of TSXV, be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding provisions in the Fixed Option Plan, the tenth Business Day period referred to in the Fixed Option Plan may not be extended by the Board.
 - (p) Options Under the Company's 2019 "rolling" Stock Option Plan. Any Options granted under the terms of the Company's 2019 10% "rolling" Stock Option Plan will be governed by the terms of the Fixed Option Plan and shall be subject to the provisions of the Fixed Option Plan and to the extent legal to do so, shall be deemed to have been granted under the Fixed Option Plan.

Outstanding Compensation Securities

The following table sets forth incentive stock options (option-based awards) pursuant to the Company's Option Plan granted to each Director and NEO by the Company during the financial years ended December 31, 2020 and September 30, 2019:

Name and position	Type of compensation security	Compensation Securities						
		Year	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date ⁽²⁾ of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end ⁽³⁾ (\$)	Expiry date ⁽²⁾
Ian L. Paterson, CEO and Director	Options	2020	1,050,000 and 13%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2020	600,000 and 7%	2020-12-08	\$0.35	\$0.35	\$0.40	2030-12-08
		2019	nil	n/a	n/a	n/a	\$0.20	n/a
Roland Sartorius, CFO and Corporate Secretary	Options	2020	900,000 and 11%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2020	600,000 and 7%	2020-12-08	\$0.35	\$0.35	\$0.40	2030-12-08
		2019	nil	n/a	n/a	n/a	\$0.20	n/a
Jord Tanner, CTO	Options	2020	675,000 and 8%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2019	nil	n/a	n/a	n/a	\$0.20	n/a
Robert Kiesman Chairman of the Board and Director	Options	2020	138,750 and 2%	2020-10-27	\$0.20	\$0.34	\$0.40	2024-02-08
		2020	750,000 and 9%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2019	277,500 and 25%	2019-02-08	\$0.10	\$0.10	\$0.20	2020-10-27 ⁽⁴⁾
Barry Carlson Director	Options	2020	300,000 and 4%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2019	nil	n/a	n/a	n/a	\$0.20	n/a
William Hammersla Director	Options	2020	300,000 and 4%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2019	nil	n/a	n/a	n/a	\$0.20	n/a
Michel McConnell Director	Options	2020	300,000 and 4%	2020-10-27	\$0.34	\$0.34	\$0.40	2030-10-27
		2019	nil	n/a	n/a	n/a	\$0.20	n/a
Mark Orsmond Former CFO, Corporate Secretary & Director	Options	2020	138,750 and 2%	2020-10-27	\$0.20	\$0.34	\$0.40	2024-02-08
		2019	277,500 and 25%	2019-02-08	\$0.10	\$0.10	\$0.20	2020-10-27 ⁽⁴⁾
Kendra Low Former Director	Options	2020	138,750 and 2%	2020-10-27	\$0.20	\$0.34	\$0.40	2024-02-08
		2019	277,500 and 25%	2019-02-08	\$0.10	\$0.10	\$0.20	2020-10-27 ⁽⁴⁾
Merv Chia Former Director	Options	2020	138,750 and 2%	2020-10-27	\$0.20	\$0.34	\$0.40	2024-02-08
		2019	277,500 and 25%	2019-02-08	\$0.10	\$0.10	\$0.20	2020-10-27 ⁽⁴⁾

Notes:

⁽¹⁾ Percentage of class represents % of compensation securities granted over the total number of compensation securities of the Company outstanding as of December 31, 2020 and September 30, 2019.

⁽²⁾ Date format is YYYY-MM-DD.

⁽³⁾ Closing price of the Issuer's common shares as at December 31, 2020 and September 30, 2019.

⁽⁴⁾ These options were replaced by options granted on October 27, 2020.

Exercise of Compensation Securities by NEOs and Directors

The following table sets out each exercise of an option-based award by a NEO or a director who was not a NEO during the fiscal year ended December 31, 2020:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The following table sets out each exercise of an option-based award by a NEO or a director who was not a NEO during the fiscal year ended September 30, 2019:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Employment, Consulting and Management Agreements

Engagement Agreement with Ian L. Paterson, CEO

Mr. Paterson entered into an employment agreement with Plurilock dated January 1, 2016 (the "**Paterson Agreement**"). The Paterson Agreement was subsequently amended on November 28, 2016, June 1, 2017, October 11, 2018, April 1, 2020 and December 8, 2020. Pursuant to the Paterson Agreement, Mr. Paterson currently receives: (i) an annual base salary of \$175,000; and (ii) an annual bonus determined in discretion of the Plurilock Board of up to a maximum of \$50,000, in a combination of certain objective and subjective milestones, including an objective bonus equally to 2.5% of collected revenues. Mr. Paterson is also entitled to participate in Plurilock's benefit plan. The term of the Paterson Agreement is indefinite. In the event of termination without cause, Mr. Paterson is entitled to a severance equal to twelve (12) month's salary.

The Plurilock Board considers that the salary paid to Ian Paterson is comparable within the industry. The Plurilock Board confirms that fees payable under the Paterson Agreement are fair and reasonable and were negotiated on an arm's length basis with Ian Paterson and on conventional terms.

Consulting Agreement with Roland Sartorius, CFO

On November 1, 2017, Plurilock entered into a consulting agreement (the "**Sartorius Agreement**") with RoJan Consulting Ltd., a private company owned and controlled by Roland Sartorius. The Sartorius Agreement was subsequently amended on June 15, 2018, November 1, 2018, April 1, 2020 and December 8th, 2020. Pursuant to the terms of the Sartorius Agreement, Mr. Sartorius acts as Plurilock's CFO and Corporate Secretary and currently receives (i) an annual base fee of \$150,000 plus applicable taxes and (ii) a discretionary year-end bonus equal to 25% of his annual base fee. The term of the Sartorius Agreement is indefinite. In the event of termination without cause, Mr. Sartorius is entitled to severance of twelve (12) months' consulting fees.

The Plurilock Board considers that the fees paid to Roland Sartorius are comparable within the industry. The Plurilock Board confirms that fees payable under the agreement are fair and reasonable and were negotiated on an arm's length basis with Roland Sartorius and on conventional terms.

Employment Agreement with Jord Tanner, CTO

Mr. Tanner entered into an employment agreement with Plurilock dated February 8, 2018 (the "**Tanner Agreement**"). Pursuant to the Tanner Agreement, Mr. Tanner currently receives an annual base salary of \$135,000. Mr. Tanner is also entitled to participate in Plurilock's benefit plan. The term of the Tanner

Agreement is indefinite, though either party may terminate the Tanner Agreement subject to statutory requirements. The Tanner Agreement does not contain any provisions with respect to change of control, severance, termination or constructive dismissal.

The Plurilock Board considers that the salary paid to Jord Tanner is comparable within the industry. The Plurilock Board confirms that fees payable under the Tanner Agreement are fair and reasonable and were negotiated on an arm's length basis with Jord Tanner and on conventional terms.

Other than as set out above, there are presently no management contracts with the Company.

Oversight and Description of Director and NEO Compensation

Executive compensation is set to attract and retain the best available talent while efficiently utilizing available resources. The Company compensates executive management with a package typically including a base salary ("**Base Salary**"), an incentive compensation plan ("**Incentive Compensation**") and equity compensation (the "**Equity Compensation**") designed to be competitive with comparable employers. In considering executive management's compensation, the Board takes into consideration the financial condition of the Company. The Base Salary is set in comparison to the comparable positions in the market and in the industry, the Incentive Compensation is used as a short-term incentive to achieve Company objectives, and the Equity Compensation is designed to allow the participants to enjoy the benefits of any increase in company valuation and share price, should such an increase occur. Executive compensation is designed to reward activities and achievements that are aligned with the long-term interests of the Company's shareholders.

The Base Salary, Incentive Compensation and Equity Compensation for the Company's NEOs, including the CEO and the CFO is determined by the Company's Compensation Committee. The Compensation Committee sets the compensation of the NEOs using generally available market data and their combined industry experience. The Compensation Committee delegates to the NEOs the responsibility to set the compensation packages for all other senior management and staff.

The Compensation Committee is responsible for executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives.

The Compensation Committee also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The compensation committee reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity.

Philosophy and Objectives

The Company is a small company with limited resources. The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified 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.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its share option plan. Recommendations for senior management compensation are presented to the Board for review.

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 share 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 competitive factors. The amounts and terms of options granted are determined by the compensation committee based on recommendations put forward by the CEO.

Risks Associated with the Company's Compensation Practices

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans

and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments.

Base Salary or Consulting Fees

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Base salary ranges for the executive officers were initially determined upon a review of companies within the technology industry, which were of the same size as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the technology industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Financial years ended December 31, 2020 and September 30, 2019

During the financial years ended December 31, 2020 and September 30, 2019, compensation of key management personnel and related parties were as follows:

Name and Position	December 31, 2020	September 30, 2019
Remuneration, bonus, fees and short-term benefits	\$	\$
Ian L. Paterson, CEO and Director	71,461	Nil
Roland Sartorius, CFO and Corporate Secretary	53,245	Nil
Jord Tanner, CTO	50,298	Nil
Robert Kiesman Chairman of the Board and Director	Nil	Nil
Barry Carlson, Director	108	Nil
William Hammersla, Director	Nil	Nil
Michel McConnell, Director	Nil	Nil
Mark Orsmond Former CFO, Corporate Secretary & Director	Nil	Nil
Kendra Low, Former Director	Nil	Nil
Merv Chia, Former Director	Nil	Nil
Total	175,113	Nil

The remuneration, fees and short-term benefits were allocated to general and administrative, sales and marketing, and research and development expenses.

The remuneration, fees and short-term benefits include salaries accrued to the CEO and CTO as well consulting fees accrued to the CFO of the Company. The employment agreements and consulting agreement with the CEO, CFO and CTO were ratified by the Board of Directors and are reviewed periodically.

As at December 31, 2020, \$nil (September 30, 2019 - \$nil) was due to related parties.

The following table set forth the outstanding balances owed by the Company to related parties of each NEO and a director who was not a NEO as at financial years ended December 31, 2020 and September 30, 2019:

Due to Related Parties	
December 31, 2020	September 30, 2019
\$ nil	\$ nil

Benefits and Perquisites

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

Hedging by Named Executive Officers or Directors

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors.

Pension Disclosure

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