

**VALDY INVESTMENTS LTD.**  
(the “Company”)

**STATEMENT OF EXECUTIVE COMPENSATION**  
**Form 51-102F6V**  
**Statement of Executive Compensation – Venture Issuers**

**General**

“**Company**” means Valdy Investments Ltd.;

“**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;

“**named executive officer**” or “**NEO**” 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; and
- (d) each individual who would be a NEO 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;

“**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

**Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, 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 director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Fiscal Year Ended December 31	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
James Decker, <sup>(2)</sup> CEO and Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Johnny Ciampi <sup>(3)</sup> CFO, Corporate Secretary and Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Neil Currie <sup>(4)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jonathan McNair <sup>(5)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

<sup>(2)</sup> Mr. Decker was appointed the CEO and a director of the Company on August 22, 2018.

<sup>(3)</sup> Mr. Ciampi was appointed the CFO and a director of the Company on August 22, 2018 and the Corporate Secretary on January 14, 2019.

<sup>(4)</sup> Mr. Currie was appointed a director of the Company on February 15, 2019.

<sup>(5)</sup> Mr. McNair was appointed a director of the Company on August 22, 2018.

The Company did not grant any compensation securities to its directors and NEOs during the year ended December 31, 2020. As at December 31, 2020:

(a) James Decker, the CEO and a director of the Company, owned an aggregate of 250,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of \$0.10 per Share until May 27, 2029;

(b) Johnny Ciampi, the CFO, Corporate Secretary and a director of the Company, owned an aggregate of 250,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of \$0.10 per Share until May 27, 2029;

(c) Neil Currie, a director of the Company, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of \$0.10 per Share until May 27, 2029; and

- (d) Jonathan McNair, a director of the Company, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of \$0.10 per Share until May 27, 2029.

#### **Exercise of Compensation Securities by Directors and NEOs**

No compensation securities were exercised by directors and NEOs during the year ended December 31, 2020.

#### **Stock Option Plans and Other Incentive Plans**

The Company's current stock option plan, as amended (the "Plan"), pursuant to which the board of directors of the Company may from time to time, in its discretion, and in accordance with the TSX Venture Exchange (the "Exchange") requirements, grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase Shares, provided that the number of Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares of the Company as at the date of grant of any option, and after the completion of the Company's Qualifying Transaction the maximum number of Shares reserved under the Plan shall be up to 10% of the issued and outstanding Shares of the Company at any time any options are granted. The number of Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Shares as at the closing of the Offering and the number of Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Shares as at the closing of Offering. Options may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. The exercise price of any option cannot be less than the greater of the Offering share price and the Discounted Market Price (as defined in the policies of the Exchange). Any Shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

#### **Employment, Consulting and Management Agreements**

The Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

#### **Oversight and Description of Director and NEO Compensation**

As the Company is currently a capital pool company, it does not have a formal or informal compensation program. Except as set out below or otherwise disclosed in this Information Circular, prior to completion of a Qualifying Transaction (as defined in the policies of the Exchange), no payment of any kind has been made, or will be made, directly or indirectly, by the Company to a non-arm's length party to the Company or a non-arm's length party to the Qualifying Transaction, or to any person engaged in investor relations activities in respect of the securities of the Company or any resulting issuer by any means, including:

- (a) remuneration, which includes but is not limited to:
  - (i) salaries;
  - (ii) consulting fees;
  - (iii) management contract fees or directors' fees;

- (iv) finder's fees;
  - (v) loans, advances, bonuses; and
- (b) deposits and similar payments.

Although the Company may reimburse non-arm's length parties for the Company's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**"), there have been no such Permitted Reimbursements since incorporation. No Permitted Reimbursement may be made for any payment made to lease or buy a vehicle. The directors and officers of the Company will also be granted the directors' and officers' options.

Following completion of the Qualifying Transaction, it is anticipated that the Company shall pay compensation to its officers. However, no payment other than the Permitted Reimbursements, will be made by the Company or by any party on behalf of the Company, after completion of the Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

#### **Pension Plan Benefits**

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