INTERNATIONAL COBALT CORPORATION

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INTERNATIONAL COBALT CORP.

(the "**Company**" or "**Cobalt**")

Form 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION
(for the financial year ended September 30, 2017)

The following information is presented in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers of International Cobalt Corp. for the financial year ended **September 30, 2017**.

General

For the purpose of this Statement of Executive Compensation:

"**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

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

"**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 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;

"**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;

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

Based on the foregoing definition, during the last completed financial year of the Company, the Company had three (3) NEOs, namely, **Eugene Beukman**, former CEO, **Timothy Johnson**, CEO and **Florence Luong**, CFO.

Director and NEO compensation, excluding stock options and other compensation securities

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

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Table of compensation excluding compensation securities							
Name and position	**Year Ended Sept 30**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Timothy Johnson[(1)] CEO, President & Director	2017 2016	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Eugene Beukman[(2)] *CEO, President & Director*	2017 2016	75,125[(3)] 29,488[(3)]	Nil Nil	Nil Nil	Nil Nil	64,000[(4)] 71,408[(4)]	139,125 100,896
Maciej Lis[(5)] *Director*	2017 2016	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Paul DesLauriers[(6)] *Director*	2017 2016	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
James Miller-Tait[(7)] *Director*	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
James Chapman[(8)] *Director*	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Florence Luong[(9)] *CFO*	2017 2016	1,000 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	1,000 Nil

(1) Mr. Johnson was appointed President, CEO and a director of the Company on March 22, 2017. Mr. Johnson did not start billing the Company through his wholly-owned consulting company, 1111040 B.C. Ltd. for services subsequent to the September 30, 2017 year-end date.

(2) Mr. Beukman was appointed a director of the Company on November 7, 2014. He was CFO April 28, 2015 to March 8, 2016. He was CEO April 28, 2015 to March 22, 2017. He was President November 7, 2014 to March 22, 2017.

(3) Consulting fees paid to Mr. Beukman for his services provided to the Company.

(4) Fees paid to Pender Street Corporate Consulting Ltd., a private company wholly-owned by Mr. Beukman, pursuant to a management contract dated December 1, 2015, as amended August 1, 2016 and January 1, 2017. Pender Street Corporate Consulting Ltd. receives general management and accounting fees for services provided pursuant to the terms of the management contract. See "External Management Companies" below.

(5) Mr. Lis was appointed a director of the Company on December 19, 2016.

(6) Mr. DesLauriers was appointed a director of the Company on February 24, 2017

(7) Mr. Miller-Tait was a director of the Company from July 7, 2015 to March 22, 2017.

(8) Mr. Chapman was director of the Company from July 7, 2015 to February 24, 2017.

(9) Ms. Luong was appointed CFO of the Company on March 8, 2016.

External Management Companies

Pender Street Corporate Consulting Ltd. (the "**PSCC**") is a private company wholly-owned by Eugene Beukman, a Director of the Company.

Pursuant to an agreement dated for reference December 1, 2015, as amended August 1, 2016 and January 1, 2017, the Company entered into a management agreement (the "Management Contract") with PSCC of Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, and provides management, accounting and administrative services to the Company in accordance with the terms of the Management Contract for a monthly fee of $6,000 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. PSCC is also entitled to charge a 15% administration fee on all disbursements, and to charge interest of 2% on all disbursements not reimbursed within thirty (30) days. The Management Contract is for an initial term of twelve (12) months, to be automatically renewed for further twelve (12) month periods unless ninety (90) days' notice of non-renewal has been given. The Management Contract can be terminated by either party on ninety (90) days' written notice. It can also be terminated by the Company for cause without prior notice or upon the mutual consent in writing of both parties. If there is a take-over or change of control of the Company resulting in the termination of the Management Contract, the Company is to pay PSCC an amount equal to twelve (12) months of fees payable as a lump sum payment due on the day after the termination date.

During the most recently completed financial year, the Company paid or accrued $64,000 in management and accounting fees.

PSCC was not indebted to the Company during the Company's last completed financial year, and the Management Contract remains in effect as of the date of this Statement of Executive Compensation.
Stock Options and Other Compensation Securities

The Company granted the following incentive stock options to its NEOs and directors of the Company in the most recent financial year ended September 30, 2017:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date 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 $	Expiry date
Timothy Johnson, Director, President & CEO	stock option	250,000[(1)] 1.25%[(2)]	Feb 22, 2017	0.05	0.015	0.19	Feb 22, 2022
Maciej Lis. Director	stock option	250,000[(1)] 1.25%[(2)]	Feb 22, 2017	0.05	0.015	0.19	Feb 22, 2022
Paul DesLauriers, Director	stock option	250,000[(1)] 1.25%[(2)]	Feb 22, 2017	0.05	0.015	0.19	Feb 22, 2022

(1) On March 13, 2017, the Company approved a 1:3 forward stock split. Each stock option was effectively forward split into three on March 17, 2017. The NEO and directors of the Company collectively have been granted 2,250,000 stock options with an exercise price of $0.01667. Each granted stock option is exercisable for one common share in the capital of the Company.
(2) There were 20,077,315 common shares issued and outstanding as of the date that the stock options were granted.

Exercise of Compensation Securities by Directors and NEOs

During the year ended September 30, 2017, no director or NEO exercised any compensation securities.

Stock Option Plan

The board of directors of Cobalt (the "Cobalt Board") established the Cobalt stock option plan (the "Cobalt Stock Option Plan") as a fixed plan in accordance with the policies of the Exchange. The maximum number of Cobalt Shares reserved for issuance under the Cobalt Stock Option Plan is 19,501,147, which was 20% of the issued and outstanding shares of Cobalt, at the time the shareholders approved the amended and restated Stock Option Plan of the Company.

The purpose of the Cobalt Stock Option Plan is to provide an incentive to Cobalt's directors, senior officers, employees and consultants to continue their involvement with Cobalt, to increase their efforts on Cobalt's behalf and to attract new qualified employees. The Cobalt Stock Option Plan is also intended to assist in aligning management and employee incentives with the interests of Shareholders.

The following is a summary of the material terms of the Cobalt Stock Option Plan:

Number of Shares Reserved. The number of common shares which may be issued pursuant to options granted under the Cobalt Stock Option Plan shall be 19,501,147, which was 20% of the issued and outstanding shares of the Company, on September 28, 2017, at which time the shareholders approved the stock option plan of the Company.

Maximum Term. The term of any options granted under the Cobalt Stock Option Plan is fixed by the Cobalt Board and may not exceed ten years from the date of grant. The options are non-assignable and non-transferable.

Exercise Price. The Option Price shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option

Vesting. The Directors may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Options issued to Investor Relations Persons must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three month period.

Termination. All rights to exercise Options shall terminate upon the earliest of:

- the expiration date of the Option;
- the 90th day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause;
- the 30th day after the Optionee who is engaged in Investor Relations Activities for the Company cases to be employed to provide Investor Relations Activities;
- the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as a director, executive officer, employee or consultant for cause (which, in the case of a consultant, includes any breach of an agreement between the Company and the consultant);
- the first anniversary of the date on which the Optionee ceases to be an Eligible Person by reason of termination of the Optionee as a director, executive officer, employee or consultant on account of disability; or
- the first anniversary of the date of death of the Optionee.

Administration. The Cobalt Stock Option Plan is administered by the Cobalt Board or senior officer or employee to which such authority is delegated by the Board from time to time.

Board Discretion. The Cobalt Stock Option Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting schedules, and other terms and conditions relating to such options shall be determined by the Cobalt Board or senior officer or employee to which such authority is delegated by the Board from time to time and in accordance with Exchange requirements.

Employment, consulting and management agreements

Consulting Agreement

The Company has a written consulting agreement (the "Consulting Agreement") with 1111040 B.C. Ltd. (a private company owned by Mr. Timothy Johnson), dated as of March 1, 2017, pursuant to which it has secured the services of Mr. Johnson to provide senior executive management and direction to the Company, to act as a public liaison on behalf of the Company with regulatory authorities, the coordination and management of official communications on behalf of the Company, reporting to the board of directors with respect to Company operations, assets and plans, performing such other duties which the Company may reasonable direct from time to time and to act in the role of Chief Executive Officer of the Company,

The initial term of the Agreement is one (1) year (the “Term”) from execution. The Term will automatically renew in one year increments unless either party notifies the other, 60 days prior to the expiration of the Term, of the cancellation of the Consulting Agreement. The Company pays to 1111040 B.C. Ltd. the sum of $5,000 CDN (the “Fees”) per month payable on the first day of each month during the term of the Consulting Agreement. The Company may pay a bonus reflecting the consultant’s performance, not less than once annually, which is to be determined by the Company’s compensation committee. In addition, Mr. Johnson is entitled to participate in the Cobalt Stock Option Plan.

1111040 B.C. Ltd. did not start billing the Company for consulting services subsequent to the September 30, 2017 year-end date.

Except as disclosed above and under “External Management Companies”, the Company does not have any additional employment, consulting or management agreements or arrangements with any of the Company’s other NEOs or directors.

Termination and Change of Control Benefits

Eugene Beukman

The Management Contract between PSCC and the Company states that if there is a take-over or change of control of the Company resulting in the termination of the Management Contract, the Company is to pay PSCC an amount equal to twelve (12) months of fees payable as a lump sum payment due on the day after the termination date.

Assuming that the event of termination in connection with a Change of Control took place on September 30, 2017, the following are estimates of the amounts payable to PSCC in such circumstances:

Element	Amount
12 months of fees paid to the Contractor	$72,000
Benefits	-
Share-Based Awards	-
Option-Based Awards	-
Total Compensation	$72,000

Timothy Johnson

The Company shall have the following obligations in the event that the Consulting Agreement is terminated subsequent to a ‘change of control’:

1. any unpaid Fees, bonuses and expenses then due and owing pursuant to the Consulting Agreement; and
2. an amount equal to three months Fees.

Oversight and description of director and named executive officer compensation

The Company does not have a formal compensation program. The Board is responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations with respect to the compensation of the Company's executive officers. The Board is responsible for all matters relating to the compensation of the directors and executive officers of the Company with respect to: (i) general compensation goals and guidelines and the criteria by which bonuses and stock compensation awards are determined; (ii) amendments to any equity compensation plans adopted by the Board and changes in the number of shares reserved for issuance thereunder; and (iii) other plans that are proposed for adoption or adopted by the Company for the provision of compensation. The general objectives of the Company's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

Pension disclosure

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.