

STATEMENT OF EXECUTIVE COMPENSATION

General

The following information, dated as of August 27, 2021, is provided as required under Form 51-102F6V for venture Issuers (the “**Form**”), as such term is defined in National Instrument 51-102.

For the purposes of this Form:

“**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;

“**Company**” means Carlyle Commodities Corp.;

“**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, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (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, as determined in accordance with subsection 1.3(5), 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;

“**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.

During the financial year ended February 28, 2021, the Company had two NEOs, namely:

- (i) Morgan Good, Chief Executive Officer since October 18, 2017; and
- (ii) Alastair Brownlow, Chief Financial Officer since November 22, 2018.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table (presented in accordance with National Instrument Form 51-102F6V Statement of Executive Compensation – Venture Issuers) excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the completed financial years ended February 28, 2021 and 2020. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities and Instruments*” below.

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 (\$)
Morgan Good, CEO and Director	2021	152,000 ⁽¹⁾	43,100	Nil	Nil	Nil	195,100
	2020	147,500 ⁽¹⁾	-	-	-	-	147,500
Alastair Brownlow, CFO ⁽⁵⁾	2021	36,000 ⁽²⁾	-	Nil	Nil	Nil	36,000
	2020	36,000 ⁽²⁾	-	-	-	-	36,000
Michael Blady, Director	2021	30,000 ⁽³⁾	-	Nil	Nil	Nil	30,000
	2020	45,000 ⁽³⁾	-	-	-	-	45,000
Leighton Bocking, Director	2021	30,000 ⁽⁴⁾	-	Nil	Nil	Nil	30,000
	2020	60,000 ⁽⁴⁾	-	-	-	-	60,000

Notes:

- (1) Comprised of consulting fees paid to Patriot Capital Corporation, a management company wholly owned by Mr. Good.
- (2) Comprised of consulting fees paid to Red Fern Consulting Ltd., a management company, of which Mr. Brownlow is an employee.
- (3) Comprised of consulting fees paid to Tank Enterprises Ltd., a management company wholly owned by Mr. Blady.
- (4) Comprised of consulting fees paid to Bocking Financial Corp., a management company wholly owned by Mr. Bocking.
- (5) Resigned as CFO on February 4, 2021.

Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted, or issued by the Company to each NEO and directors of the Company for the fiscal year ended February 28, 2021, for services provided, directly or indirectly, to the Company.

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
Morgan Good, CEO and Director ⁽¹⁾	Options	175,000 4%	February 19, 2021	\$0.14	\$0.135	\$0.13	February 19, 2026
	Options	250,000 5.7%	May 15, 2020	\$0.15	\$0.15	\$0.13	May 15, 2025
Michael Blady, Director ⁽²⁾	Options	175,000 4%	February 19, 2021	\$0.14	\$0.135	\$0.13	February 19, 2026
	Options	250,000 5.7%	May 15, 2020	\$0.15	\$0.15	\$0.13	May 15, 2025
Leighton Bocking, Director ⁽³⁾	Options	175,000 4%	February 19, 2021	\$0.14	\$0.135	\$0.13	February 19, 2026
	Options	250,000 5.7%	May 15, 2020	\$0.15	\$0.15	\$0.13	May 15, 2025
Alastair Brownlow, CFO ⁽⁴⁾	Options	100,000 2.3%	February 19, 2021	\$0.14	\$0.135	\$0.13	February 19, 2026

Notes:

- (1) Mr. Good held 781,993 common shares and 453,571 options as at February 28, 2021.
- (2) Mr. Blady held 525,000 common shares and 353,571 options as at February 28, 2021.
- (3) Mr. Bocking held 333,928 common shares and 353,571 options as at February 28, 2021.
- (4) Red Fern Consulting Ltd, a management company, of which Mr. Brownlow is an employee held 100,000 options as at February 28, 2021.
- (5) The percentage of the class of compensation securities is calculated based on the aggregate of 4,373,991 options outstanding as of February 28, 2021.

Exercise of Compensation Securities by Directors and NEOs

During the financial year ended February 28, 2021, no compensation securities were exercised by a NEO or director of the company

Share-Based and Option-Based Awards

The Company does not grant share-based awards. The Company adopted a “rolling” stock option plan (the “Stock Option Plan”) on April 6, 2018, which was approved by the shareholders of the Company at the Company’s annual general and special meeting held on April 12, 2019. The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Company’s common shares issued and outstanding

from time to time. The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Company and their affiliates, if any, as the Board may from time to time designate. The exercise price of option grants will be determined by the Board, will not be less than the closing market price of the Shares on the Exchange less allowable discounts at the time of grant. The Stock Option Plan provides that the number of Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Shares. All options granted under the Stock Option Plan will expire not later than the date that is five years from the date that such options are granted. Options terminate earlier as follows: (i) 90 days from date of termination other than for cause; or (ii) one year from the date of death. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Employment, Consulting and Management Agreements

Other than as set out herein, the Company has no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO, or performed by any other party but are services typically provided by a director or NEO.

On November 22, 2018, the Company entered into a consulting services agreement with Red Fern Consulting Ltd., a management company, of which Mr. Brownlow is an employee, (“Consulting Agreement”) providing for annual compensation of \$36,000. Under the terms of the Consulting Agreement, if the Company terminated the consultant’s engagement without cause, the consultant is entitled at least 30 days prior written notice of the effective date of such termination, or pay in lieu of a sum equivalent to three months of services based on the average of the preceding three months. If a change of control occurs and the Consulting Agreement is terminated by the Company or its successor prior to the end of the term, the Company or its successor will pay to the consultant a sum equivalent to twelve months of services based on the average of the preceding three months, not to be less than \$3,000.00 CDN per month. Any options granted to the consultant prior to such termination will be exercisable for such number of months after such termination as is equal to the number of months the Consultant has provided the consulting services under the Consulting Agreement and any predecessor agreement, to a maximum of twelve months.

Oversight and Description of Director and NEO Compensation

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board.

The Company’s executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account. The Company’s directors have not established any benchmark or performance goals to be achieved or met by the Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company. The satisfactory discharge of such duties is subject to ongoing monitoring by the Company’s directors.

Payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm’s length services providers.

The goal of the Company's executive compensation philosophy is to attract, motivate, retain and reward an energetic, goal driven, highly qualified and experienced management team and to encourage them to meet and exceed performance expectations within a calculated risk framework. The Board has not considered the implications of the risk associated with the Company's compensation policies and practices. The compensation program is designed to reward each executive based on individual, business and corporate performance and is also designed to incent such executives to drive the annual and long-term business goals of the organization.

Under the Company's compensation policies and practices, Named Executive Officers and directors are not prevented from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

However, the Board does not believe that the Company's compensation policies and practices encourage executive officers to take unnecessary or excessive risk.

For executive officers who are offered compensation, such compensation will primarily and initially be comprised of a base salary or consulting fees, as applicable, and later stock options to purchase Shares. Manner and amount of compensation of the Named Executive Officers is reviewed, recommended and approved by the Board from time to time.

Pension

The Company does not provide any pension benefits for directors or executive officers.