



Global Cannabis Applications Corporation

**FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS**

Dated: February 28, 2019

Objective: The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Definitions:

For the purpose of this Statement of Executive Compensation, in this form:

- (a) **“Company”** means Global Cannabis Applications Corp.;
- (b) **“company”** includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;
- (c) **“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;
- (d) **“named executive officer”** or **“NEO”** means each of the following individuals:
 - (i) 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;
 - (ii) 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;
 - (iii) 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;
 - (iv) 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;
- (e) **“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;
- (f) **“underlying securities”** means any securities issuable on conversion, exchange or exercise of compensation securities.

DIRECTOR AND NEO COMPENSATION

Director and NEO compensation, excluding compensation securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, 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 or its subsidiary.

Table of compensation excluding compensation securities

Name and position	Year Ended June 30	Salary, consulting fee, retainer or commission (\$) ⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$) ⁽¹⁾	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Bradley Moore ⁽²⁾ <i>CEO & Director</i>	2018	343,039	Nil	Nil	Nil	Nil	343,039
	2017	229,042	Nil	Nil	Nil	Nil	229,042
Alexander Helmel ⁽³⁾ <i>CFO, Corporate Secretary & Director</i>	2018	101,500 ⁽⁴⁾	Nil	Nil	Nil	Nil	101,500 ⁽⁴⁾
	2017	111,111 ⁽⁴⁾	Nil	Nil	Nil	Nil	111,000 ⁽⁴⁾
Jeffrey Hayzlett ⁽⁵⁾ <i>Director</i>	2018	31,733 ⁽⁶⁾	Nil	Nil	Nil	Nil	31,733 ⁽⁶⁾
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Khalil Bhimji ⁽⁷⁾ <i>Former Director</i>	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	Nil	Nil	Nil	Nil	Nil	Nil

NOTES:

- ⁽¹⁾ No compensation paid for director positions nor committee/meeting fees
- ⁽²⁾ Bradley Moore was appointed Chief Executive Officer and a director effective February 3, 2016.
- ⁽³⁾ Alexander Helmel was appointed a director effective May 8, 2015, Chief Financial Officer effective October 29, 2015, and Corporate Secretary effective April 26, 2018.
- ⁽⁴⁾ Fees paid or accrued to companies controlled by Alexander Helmel.
- ⁽⁵⁾ Jeffrey Hayzlett was appointed a director effective August 8, 2016.
- ⁽⁶⁾ Fees paid to a company controlled by Jeffrey Hayzlett for marketing services.
- ⁽⁷⁾ Khalil Bhimji served as a director from August 5, 2015, to April 7, 2017.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the financial year ended June 30, 2018, for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾⁽²⁾	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
Bradley Moore CEO & Director	Stock Options	250,000 stock options (4.27%)	Nov 24, 2017	\$0.395	\$0.395	\$0.22	Nov 24, 2022
		250,000 underlying common shares (0.31%)					
Alexander Helmelt CFO, Corporate Secretary & Director	Stock Options	250,000 stock options (4.27%)	Nov 24, 2017	\$0.395	\$0.395	\$0.22	Nov 24, 2022
		250,000 underlying common shares (0.31%)					
Jeffrey Hayzlett Director	Stock Options	25,000 stock options (0.43%)	Feb 27, 2018	\$0.37	\$0.37	\$0.22	Feb 27, 2023
		25,000 underlying common shares (0.03%)					

NOTES:

(1) The percentage of class is based on the total number of options and common shares outstanding as at June 30, 2018, being 5,850,000 stock options and 79,376,961 common shares, respectively.

(2) On June 30, 2018, the following compensation securities, and underlying securities, were held by the NEOs and directors:

- (i) Bradley Moore held an aggregate of 1,450,000 stock options (1,450,000 underlying common shares);
- (ii) Alexander Helmelt held an aggregate of 250,000 stock options (250,000 underlying common shares); and
- (iii) Jeffrey Hayzlett held an aggregate of 225,000 stock options (225,000 underlying common shares).

Exercise of Compensation Securities by Directors and NEOs

The following table discloses each exercise by a director or NEO of compensation securities during the financial year ended June 30, 2018

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 (\$)
Bradley Moore <i>CEO & Director</i>	Stock Options	150,000	0.10	Dec 29, 2017	0.435	0.335	50,250
Alexander Helmel <i>CFO, Corporate Secretary & Director</i>	Stock Options	105,000	0.26	Feb 1, 2018	0.57	0.31	32,550
	Stock Options	100,000	0.10	Feb 1, 2018	0.57	0.47	47,000

Stock Option Plans and Other Incentive Plans

The following is a summary of the substantive terms of the Company's current incentive stock option plan (the "**Stock Option Plan**"), which was established to attract and retain directors, officers, employees and consultants of the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Stock Option Plan to purchase common shares of the Company.

As the Stock Option Plan is a 10% rolling plan, the aggregate number of common shares reserved for issuance pursuant to the exercise of stock options may be up to 10% of the issued shares of the Company at the time of any stock option grant. The Stock Option Plan is administered by the board of directors of the Company (the "**Board**") and options are granted at the discretion of the Board to eligible optionees (each an "**Optionee**"). Exercise prices must be paid in full upon exercise of an option.

Eligible Optionees

To be eligible to receive a grant of options under the Stock Option Plan, an Optionee must be either a director, officer, employee, consultant or a corporation wholly owned by such director, officer, employee or consultant at the time the option is granted.

Limitation on Option Grants

The following restrictions on the granting of Options are applicable under the Stock Option Plan:

Individuals. The aggregate number of Shares subject to an option that may be granted to any one individual in any 12-month period under this Plan shall not exceed 5% of the issued and outstanding Shares determined at the time of such grant.

Optionees Performing Investor Relations Activities. The aggregate number of Shares subject to an option that may be granted to any one person conducting Investor Relations Activities in any 12-month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.

Consultants. The aggregate number of Shares subject to an option that may be granted to any one Consultant in any 12-month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.

Exercise Price

Subject to a minimum price of \$0.10 per option share, the exercise price of an option may not be lower than the greater of the closing market price of the common shares of the Company on the Canadian Securities Exchange on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options.

If any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of the closing market price of the common shares of the Company on the Canadian Securities Exchange on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options, and (c) the price per share paid by the investors for Shares acquired under the public distribution. The 90-day period shall commence on the date the Company is issued a final receipt for the prospectus.

Exercise prices must be paid in full upon exercise of an option.

Term and Vesting

Any option must be exercised within a term set by the Board at the time of grant, with such term not to exceed five (5) years from the date of the granting of the option. The Board may, in its absolute discretion, determine the vesting provisions of options granted under the Stock Option Plan.

Termination of Options

Unless the Board determines otherwise, options will terminate in the following circumstances:

Termination of Employment. If a director, officer, employee or consultant ceases to be so engaged by the Company for any reason other than death, such director, officer, employee or consultant shall have the right to exercise any vested option granted to him under the Stock Option Plan and not exercised prior to such termination within a period of 90 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.

Termination of Investor Relations Activities. If an Optionee who is engaged in investor relations activities ceases to be so engaged by the Company, such Optionee shall have the right to exercise any vested option granted to the Optionee under the Stock Option Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.

Death of Optionee. If an Optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the Optionee's death exercise that portion of an option granted to the Optionee under the Stock Option Plan which remains vested and outstanding.

Other Provisions

The Stock Option Plan contains provisions governing the acceleration of the vesting of options in the event of a change of control of the Company or in the event of a take-over proposal. In addition, the Stock Option Plan contains provisions for changes in options pursuant to, among other corporate actions, any share consolidation or subdivision, or stock dividend.

The Board adopted the Stock Option Plan on September 18, 2014, and shareholders last ratified and approved the Stock Option Plan at the shareholders' meeting held April 7, 2017. The Canadian Securities Exchange does not require shareholder approval of the Stock Option Plan on an annual basis.

Defined Benefit or Actuarial Plan Disclosure

The Company does not have any defined benefit plan or actuarial plans as at June 30, 2018.

Employment, consulting and management agreements

The Company did not have any employment, consulting or management agreements or any formal arrangements with the Company's current NEOs or directors regarding compensation during the financial year ended June 30, 2018, in respect of services provided to the Company or subsidiaries thereof.

Termination and Change of Control Benefits

As at the year ended June 30, 2018, the Company did not have any contract, agreement, plan or arrangement that provides for payment to any NEOs, executive officers or directors at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's, executive officer's or director's responsibilities.

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 diversified industry 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 diversified industry company without a history of earnings.

Pension disclosure

As at the year ended June 30, 2018, and to the date of this Statement of Executive Compensation – Venture Issuers, the Company does not offer pension plan benefits. It does not have any pension plans that provide for payments or benefits at, following, or in connection with retirement nor does it maintain any defined benefit plans, defined contribution plans or deferred compensation plans.