

CENTRAL FEDERAL CORP  
Form DEF 14A  
April 26, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES

EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-12

Central Federal Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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Fee paid previously with preliminary materials.

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Check box if any part of the fee is offset as provided by Exchange Act rule

0-11(a)(2) and identify the filing for which the offsetting fee was paid previously.

Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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7000 N. High Street  
Worthington, Ohio 43085

April 26, 2019

Fellow Stockholders:

You are cordially invited to attend the Annual Meeting of Stockholders (the “Meeting”) of Central Federal Corporation (the “Company”) which will be held at the New Albany County Club, located at 1 Club Lane, New Albany, Ohio 43054, on Wednesday, May 29, 2019, at 10:00 a.m., local time.

The attached Notice of Annual Meeting and Proxy Statement describe the formal business to be transacted at the Meeting. Directors and officers of the Company, as well as one or more representatives of the Company’s independent registered public accounting firm, will be present at the Meeting to respond to any questions stockholders may have regarding the business to be transacted. In addition, the Meeting will include management’s report on the Company’s financial performance for 2018. Attendance at the Meeting is limited to stockholders of record as of the close of business on April 12, 2019, their duly appointed proxies and guests of the Board of Directors and management.

Your vote is very important. Whether or not you expect to attend the Meeting, please read the enclosed Proxy Statement and then complete, sign and return the enclosed proxy card promptly in the postage-paid envelope provided, or follow the procedures on the proxy card to vote your shares electronically, so that your shares will be represented. If you attend the Meeting and are a stockholder of record, or hold a legal proxy from your bank or broker, you may vote in person even if you have previously submitted a proxy.

On behalf of the Board of Directors, management and all of the employees of Central Federal Corporation, thank you for your continued interest and support.

Sincerely yours,

Timothy T. O'Dell

President and Chief Executive Officer

CENTRAL FEDERAL CORPORATION

7000 N. High Street

Worthington, Ohio 43085

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on May 29, 2019

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (the "Meeting") of Central Federal Corporation (the "Company") will be held at the New Albany County Club, 1 Club Lane, New Albany, Ohio 43054, on Wednesday, May 29, 2019, at 10:00 a.m., local time, for the following purposes:

1. To elect three (3) Directors to serve for terms of three (3) years each;
2. To consider and vote upon a non-binding advisory resolution to approve the compensation of the Company's named executive officers;
3. To conduct an advisory vote on the frequency of future stockholder advisory votes on the compensation of the Company's named executive officers;
4. To ratify the appointment of BKD LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2019;
5. To consider and approve the Central Federal Corporation 2019 Equity Incentive Plan; and
6. To transact such other business as may properly come before the Meeting and any adjournment(s) thereof.

Record holders of the common stock of the Company at the close of business on April 12, 2019 are entitled to receive notice of and to vote at the Meeting and any adjournment(s) of the Meeting. A list of stockholders entitled to vote will be available for examination by any stockholder at the Meeting and for the ten days preceding the Meeting during ordinary business hours at Central Federal Corporation, 7000 N. High Street, Worthington, Ohio 43085.

Included with this Notice are the Company's Proxy Statement for the Meeting, a form of proxy card and the Company's 2018 Annual Report to Stockholders.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on May 29, 2019: The Company's Proxy Statement for the Meeting, the form of proxy card and the Company's 2018 Annual Report to Stockholders are available at <http://CFBankonline.com>.

BY ORDER OF THE BOARD OF DIRECTORS

Timothy T. O'Dell

President and Chief Executive Officer

Worthington, Ohio

April 26, 2019

IMPORTANT: THE PROMPT RETURN OF PROXIES WILL SAVE THE COMPANY THE EXPENSE OF FURTHER REQUESTS FOR PROXIES IN ORDER TO ENSURE A QUORUM. PLEASE READ THE ENCLOSED PROXY MATERIALS AND FOLLOW THE PROCEDURES ON THE PROXY CARD TO VOTE YOUR SHARES ELECTRONICALLY, OR SIGN AND RETURN THE PROXY CARD IN THE SELF-ADDRESSED ENVELOPE ENCLOSED FOR YOUR CONVENIENCE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.



CENTRAL FEDERAL CORPORATION

7000 N. High Street

Worthington, Ohio 43085

(614) 334-7979

cfbankonline.com

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 29, 2019

INFORMATION CONCERNING SOLICITATION AND VOTING

This Proxy Statement is being furnished in connection with the solicitation by the Board of Directors (the “Board of Directors” or the “Board”) of Central Federal Corporation (the “Company”) of proxies to be voted at the Annual Meeting of Stockholders of the Company (the “Meeting”) to be held at the New Albany County Club, 1 Club Lane, New Albany, Ohio 43054, at 10:00 a.m., local time, on May 29, 2019, and at any adjournment(s) thereof. Your vote is very important. This Proxy Statement, the accompanying proxy card and the Company’s 2018 Annual Report to Stockholders are being first sent or given on or about April 26, 2019 to stockholders of record of the Company as of the close of business on April 12, 2019. The Board of Directors encourages you to read this Proxy Statement thoroughly and to take this opportunity to vote on the matters to be decided at the Meeting.

This Proxy Statement, the form of proxy card and the Company’s 2018 Annual Report to Stockholders are also available at <http://CFBankonline.com>.

## ATTENDING THE MEETING AND VOTING PROCEDURES

### WHO MAY ATTEND THE MEETING?

If you are a stockholder of record as of the close of business on April 12, 2019 (the “Record Date”), you are entitled to attend the Meeting. Please note, however, that if you hold your shares in street name (i.e., you are a beneficial owner of shares of Company common stock that are held by a broker, bank or other nominee), you will need proof of ownership to be admitted to the Meeting. See “HOW DO I VOTE” and “Must I VOTE BY proxy or may I vote in person at the annual meeting?” for additional information.

To obtain directions to attend the Meeting and vote in person, please call Barb Pyke at (614) 318-4669.

### WHO IS ENTITLED TO VOTE?

You are entitled to vote your shares of common stock if the Company’s records show that you held your shares as of the close of business on the Record Date. As of the close of business on the Record Date, a total of 4,392,296 shares of common stock of the Company were outstanding and entitled to vote. Each share of common stock entitles the holder thereof to one vote on each matter presented at the Meeting, except as described below.

As provided in the Company’s Certificate of Incorporation, as amended (“Certificate of Incorporation”), a person (either a natural person or an entity) who, as of the close of business on the Record Date, beneficially owned, either directly or indirectly, a total number of shares of the Company’s common stock in excess of 10% of the total outstanding shares of the Company’s common stock (the “10% limit”) is not entitled to vote any of such person’s shares in excess of the 10% limit, and those shares in excess of the 10% limit are not treated as outstanding for voting purposes. For purposes of calculating the 10% limit, a person is deemed to beneficially own shares owned by an affiliate of, as well as by persons acting in concert with, such person. The Certificate of Incorporation authorizes the Board of Directors to (i) make all determinations necessary to implement and apply the 10% limit, including determining whether persons are acting in concert, and (ii) demand that any

person who is reasonably believed to beneficially own stock in excess of the 10% limit supply information to the Company to enable the Board of Directors to implement and apply the 10% limit. As of the Record Date, the Company was not aware of any person who beneficially owned more than 10% of the Company's outstanding common stock.

#### HOW DO I VOTE?

If you are a stockholder of record, you may vote in person by attending the Meeting or you may vote by completing the enclosed proxy card and returning it signed and dated in the enclosed postage-paid envelope, or by following the procedures on the proxy card to vote your shares electronically. If you hold your shares through a broker, bank or other nominee, you are considered to hold your shares in "street name," and you will receive separate instructions from your bank, broker or other nominee describing how to vote your shares. Please note that if you hold your shares in street name and wish to vote those shares in person at the Meeting, you will need to obtain a "legal proxy" from the broker, bank or other nominee that holds those shares for you.

#### Must I VOTE BY proxy or may I vote in person at the annual meeting?

If you are a stockholder of record, you may attend and vote in person at the Meeting. To be admitted at the Meeting, you may need to present personal photo identification. If your shares are held in street name (i.e., the shares are not registered in your name), you must present personal photo identification and proof of stock ownership to be admitted to the Meeting. A copy of your account statement or a letter from your broker, bank or other institution reflecting the number of shares of common stock you owned as of the Record Date (April 12, 2019) will constitute adequate proof of stock ownership for admission to the Meeting. In order to vote your shares held in street name at the Meeting, you also will need to obtain and bring with you to the Meeting a legal proxy from your broker, bank or other institution in whose name your shares are held.

#### HOW WILL MY SHARES BE VOTED?

Shares of the Company's common stock which are represented by properly executed proxy cards that are received prior to the Meeting, and not subsequently revoked, will be voted by your proxies in accordance with your instructions. If you submit a valid proxy card prior to the Meeting but do not provide voting instructions, your proxies will vote your shares as recommended by the Board of Directors, except in the case of broker non-votes where applicable, as follows:

- "FOR" the election as Directors of the Company of the three (3) nominees listed below under the heading "PROPOSAL 1 – ELECTION OF DIRECTORS";
- "FOR" the non-binding advisory resolution to approve the compensation of the Company's named executive officers as disclosed in this Proxy Statement;
- To hold an advisory vote for the approval of the compensation of the Company's named executive officers every "1 YEAR";
- "FOR" the ratification of the appointment of BKD, LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2019; and
- "FOR" the approval of the Central Federal Corporation 2019 Equity Incentive Plan.

If any other matters are properly presented for voting at the Meeting, the persons appointed as proxies will vote on those matters, to the extent permitted by applicable law, in accordance with their best judgment. No appraisal or dissenters' rights exist for any action proposed to be taken at the Meeting.

If a beneficial owner does not provide appropriate voting instructions to any broker or other nominee holding the common shares of such beneficial owner in street name, the stock exchange rules and regulations applicable to brokers and other nominees allow them to vote such common shares on "routine" matters without instructions from the beneficial owner. If a proposal is considered a "non-routine" matter, the broker or other nominee may vote the common shares held in street name on the proposal only if the beneficial owner of such common shares has provided voting instructions. A broker non-vote occurs when the broker or other nominee is unable to vote on a proposal because the proposal is considered a "non-routine" matter and the beneficial owner does not provide appropriate voting instructions.

Of the proposals to be presented at the Meeting, the ratification of the appointment of the Company's independent registered public accounting firm (Proposal 4) qualifies as a "routine" matter. Each of the other proposals (Proposals 1, 2, 3 and 5) is considered a "non-routine" matter and, therefore, your broker may vote on these matters only if you provide voting instructions. Accordingly, it is important that you provide instructions to your broker.

#### CAN I REVOKE OR CHANGE MY VOTE AFTER I SUBMIT MY PROXY?

You may revoke your proxy at any time before the vote is taken at the Meeting. To revoke your proxy, you must take one of the following actions: (i) advise the Corporate Secretary of the Company in writing of the revocation of your proxy before your shares have been voted at the Meeting; (ii) deliver to the Company another proxy that bears a later date; or (iii) attend the Meeting and vote your shares in person. Attendance at the Meeting will not, by itself, revoke your proxy. The last-dated proxy you submit (by any means) will supersede any previously submitted proxy. If you have instructed your broker, bank or nominee to vote your shares, you must follow the directions received from your broker, bank or nominee to revoke a previously delivered proxy.

#### WHAT CONSTITUTES A QUORUM FOR THE MEETING?

A quorum exists if a majority of the outstanding shares of common stock entitled to vote at the Meeting (after subtracting any shares in excess of the 10% limit) is present in person or represented by proxy at the Meeting. The Meeting will be held if a quorum exists at the Meeting. If you return valid proxy instructions or attend the Meeting in person, your shares will be counted for purposes of determining whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted for purposes of determining a quorum. If there are not sufficient shares present or represented by proxy at the Meeting to constitute a quorum or to approve or ratify any proposal at the time of the Meeting, the Meeting may be adjourned in order to permit the further solicitation of proxies.

#### WHAT VOTE IS REQUIRED FOR EACH PROPOSAL?

The following describes the required vote on each proposal so long as a quorum is present at the Meeting.

- Proposal 1 – Election of Directors

Under Delaware law and the Company's Bylaws, Directors are elected by a plurality of the votes cast. This means that the three (3) nominees receiving the greatest number of votes "FOR" election will be elected Directors. Shares as to which the authority to vote is withheld and broker non-votes will not affect whether a nominee has received sufficient votes to be elected.

- Proposal 2 – Non-Binding Advisory Resolution to Approve the Compensation of the Company's Named Executive Officers

Under the Company's Bylaws, the affirmative vote of a majority of the votes cast is required to approve the non-binding advisory resolution to approve the compensation paid to the Company's named executive officers as disclosed in this Proxy Statement. Abstentions and broker non-votes will not be counted as votes "FOR" or "AGAINST" this proposal and will have no effect on the outcome of this proposal.

- Proposal 3 – Non-Binding Advisory Vote on the Frequency of Future Stockholder Advisory Votes on Compensation of the Company’s Named Executive Officers

Under the Company’s Bylaws, the affirmative vote of a majority of the votes cast is required to approve, on a non-binding advisory basis, one of the selections as to the frequency of future stockholder advisory votes on the compensation of the Company’s named executive officers. Abstentions and broker non-votes will not be counted as votes cast with respect to any of the selections and will have no effect on the outcome of this proposal.

- Proposal 4 – Ratification of the Appointment of the Company’s Independent Registered Public Accounting firm

Under the Company’s Bylaws, the affirmative vote of a majority of the votes cast is required to ratify the appointment of BKD LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2019. Abstentions will not be counted as votes “FOR” or “AGAINST” this proposal and will have no effect on the outcome of this proposal.

- Proposal 5 – Approval of the Central Federal Corporation 2019 Equity Incentive Plan

The affirmative vote of a majority of the votes cast is required to approve the Central Federal Corporation 2019 Equity Incentive Plan. Abstentions and broker non-votes will not be counted as votes “FOR” or “AGAINST” this proposal and will have no effect on the outcome of this proposal.

#### WHO WILL COUNT THE VOTE?

Broadridge, a servicing company for the financial industry, will tally the votes at the Meeting, which will be certified by an Inspector of Election. The Board of Directors has designated John W. Helmsdoerfer, Executive Vice President and Chief Financial Officer of the Company, to act as the Inspector of Election for the meeting. Mr. Helmsdoerfer is an officer of the Company and an officer and employee of the Company’s wholly-owned operating subsidiary, CFBank, National Association (“CFBank”).

#### IS THE BOARD OF DIRECTORS AWARE OF ANY OTHER MATTERS THAT WILL BE PRESENTED AT THE ANNUAL MEETING?

The Company’s Board of Directors is not aware of any other matters to be presented at the Meeting. If any matters not described in this Proxy Statement are properly presented at the Meeting, the persons named in the proxy card will use his or her best judgment to determine how to vote your shares.

#### WHO PAYS THE COST OF PROXY SOLICITATION?

The Company will pay the costs of preparing, printing and mailing/delivering this proxy statement, the accompanying proxy card, the Company’s 2018 Annual Report to Stockholders and other related materials and all other costs incurred in connection with the solicitation of proxies on behalf of the Company’s Board of Directors, other than the Internet access charges incurred by a stockholder when voting electronically. Although we are soliciting proxies by mailing these proxy materials to our stockholders, the directors, officers and employees of the Company and of our subsidiary, CFBank, may also solicit proxies by further mailing, personal contact, telephone or electronic mail without receiving any additional compensation for such solicitations. Arrangements will also be made with brokerage firms, financial institutions and other nominees that are record holders of shares of common stock of the Company for the forwarding of solicitation materials to the beneficial owners of such shares. The Company will reimburse these brokers, financial institutions and other nominees for their reasonable out-of-pocket costs incurred in sending proxy materials to the beneficial owners of the Company’s common stock.

#### WHO SHOULD I CALL IF I HAVE QUESTIONS?

If you have questions concerning this proxy solicitation, or the proposals to be considered at the Meeting, please call Timothy T. O'Dell, President and Chief Executive Officer, at (614) 334-7979.

Important Notice Regarding the Availability of Proxy Materials

for the Stockholder Meeting to Be Held on May 29, 2019:

The Company's Proxy Statement for the Annual Meeting, the form of proxy card and the Company's 2018 Annual Report to Stockholders are available at <http://CFBankonline.com>.



## CORPORATE GOVERNANCE

### DIRECTOR INDEPENDENCE

The Board of Directors of the Company has determined that each of the following directors of the Company is “independent” as that term is defined by applicable listing standards of the NASDAQ Marketplace Rules and by applicable “SEC” rules: Thomas P. Ash, Edward W. Cochran, James Frauenberg II, Robert E. Hoeweler, Robert H. Milbourne and David L. Royer. Timothy O’Dell does not qualify as “independent” as a result of serving as the President and Chief Executive Officer of the Company and CFBank during 2018.

The NASDAQ independence definition includes a series of tests, such as that the director is not an employee of the Company and has not engaged in various types of business dealings with the Company and its subsidiaries. As required by the NASDAQ Marketplace Rules, the Board of Directors has made a subjective determination as to each independent director that no relationships exist that, in the opinion of the Board, would interfere with the exercise of his independent judgment in carrying out the responsibilities of a director. In making these determinations, the Board of Directors reviewed and discussed information provided by the directors and the Company with regard to each director’s business and personal activities as they may relate to the Company and CFBank, including those described under the heading “CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS” on page 9 of this Proxy Statement.

### BOARD LEADERSHIP STRUCTURE

The Company’s current Chairman, Robert E. Hoeweler, has served in this capacity since August 24, 2012. Mr. Hoeweler has extensive experience in the banking industry and intimate familiarity with the operations of financial institutions. As a result, he is able to provide unique insights as Chairman that are valuable to the Board in determining and overseeing the strategic direction of the Company.

Currently, the Board of Directors has placed the responsibilities of Chairman with an “independent” member of the Board, which we believe provides strong accountability between the Board and our management team. Our Chairman is responsible for providing leadership to the Board of Directors and facilitating communication among the directors, setting the Board meeting agendas in consultation with the President and Chief Executive Officer, and presiding at Board meetings. The Chairman also actively oversees the activities and controls of the Company and CFBank. This delineation of duties between the Chairman and the President and Chief Executive Officer allows the Company’s

President and Chief Executive Officer to focus his attention on managing the day-to-day business of the Company and CFBank. We believe this structure provides strong leadership for our Board while positioning our President and Chief Executive Officer as the leader of the Company in the eyes of our customers, employees, stockholders and other stakeholders.

The Board also believes that the Company and its stockholders are best served by a Board that has the flexibility to establish and change the Board's leadership structure from time to time to fit the needs of the Company. Pursuant to the Company's Corporate Governance Guidelines, the Board of Directors has the power and authority to combine or separate the positions of Chairman and President/Chief Executive Officer. Thus, from time to time, the Board may consider combining the roles of President/Chief Executive Officer and Chairman, and/or appointing a Lead Independent Director. These decisions will be dependent upon the needs of the Company at that time, including the composition of the Board and the availability, willingness and qualifications of candidates to serve as Chairman and/or Lead Independent Director, as well as other factors.

#### BOARD ROLE IN RISK OVERSIGHT

The Board of Directors has overall responsibility for consideration and oversight of risks facing the Company and CFBank and is responsible for ensuring that material risks are identified and managed appropriately. The Board delegates to its committees certain risk management oversight responsibilities related to their specific areas of responsibility. The Audit Committee is responsible for overseeing financial risk exposure and the steps management is taking to monitor and control such exposure. The Compensation and Management Development Committee oversees the management of risks arising from our compensation programs, policies and practices for our executives and employees that would be reasonably likely to have a material adverse effect on the Company. The Corporate Governance and Nominating Committee oversees risks related to corporate governance, including those related to performance and composition of the Board and the independence

of Board members. Directors discuss risk and risk mitigation strategies with management within these committees. All risk oversight discussions are included in committee and other reports to the full Board of Directors.

## BOARD MEETINGS AND COMMITTEES

The Board of Directors of the Company holds four (4) regular meetings annually and special meetings as called from time to time in accordance with the Bylaws of the Company. During 2018, the Company's Board of Directors held twelve (12) meetings. The Board of Directors of CFBank has the same composition as the Board of the Company and holds regular meetings monthly and special meetings as called from time to time in accordance with the Bylaws of CFBank. During 2018, CFBank's Board of Directors held twelve (12) meetings. No director during the period he served in 2018 attended less than 75% of the Company's Board meetings and any committees on which he served.

The Board's principal standing committees during 2018 were the Audit Committee, the Executive Committee, the Compensation and Management Development Committee, and the Corporate Governance and Nominating Committee. Information regarding the functions of the Board's committees, their present membership and the number of meetings held by each committee during fiscal 2018 is set forth below. All committees operate under formal written charters adopted by the Board of Directors. The charters of the Audit Committee, the Compensation and Management Development Committee and the Corporate Governance and Nominating Committee are available in the Investor Relations section of our website at <http://CFBankonline.com>.

**AUDIT COMMITTEE.** The Audit Committee provides assistance to the Board in fulfilling its oversight responsibility relating to the integrity of our consolidated financial statements and the financial reporting processes, the systems of internal accounting and financial controls, compliance with legal and regulatory requirements, the annual independent audit of our consolidated financial statements, the qualifications and independence of our independent registered public accounting firm, the performance of our internal audit function and of our independent registered public accounting firm, and any other areas of potential financial risk to the Company as specified by the Board. The Audit Committee also is responsible for the appointment, retention and oversight of our independent registered public accounting firm, including pre-approval of all audit and non-audit services to be performed by the independent registered public accounting firm, and for the review and approval, on an ongoing basis, of all related-party transactions for potential conflict-of-interest situations. The Audit Committee Report appears on page 32 of this Proxy Statement.

During 2018, the Audit Committee held eleven (11) meetings. The following directors served as members of the Audit Committee during 2018:

Audit Committee Members  
Thomas P. Ash (Chair)  
Robert E. Hoeweler

Edward W. Cochran  
James H. Frauenberg II  
Robert H. Milbourne

Each director who currently serves on the Audit Committee qualifies, and each director who served as a member of the Audit Committee during 2018 qualified, as “independent” under the standards set forth in the NASDAQ Marketplace Rules and Rule 10A-3 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”). None of such members of the Audit Committee has participated in the preparation of the financial statements of the Company or any of its current subsidiaries at any time during the past three years, and all of such members are able to read and understand fundamental financial statements, including our balance sheet, income statement and cash flow statement. The Board has also determined that Thomas P. Ash, the Chair of the Audit Committee, qualifies as an “audit committee financial expert” under applicable SEC regulations.

**EXECUTIVE COMMITTEE.** The Executive Committee is responsible for strategy formulation, the detailed development of the Company’s and CFBank’s Business and Capital Plan and for oversight of the detailed operations of the Company. The Executive Committee is also the working committee of the Board responsible for various activities, including: identification, analysis, scenario development and action planning regarding issues and opportunities impacting CFBank’s current operations and future success. The Executive Committee also signs off on all information releases to outside parties. The Executive Committee is comprised of the Board Chairman, the President and Chief Executive Officer and one additional non-employee director. Meetings of the Executive Committee are also attended by the Company’s Chief Financial Officer.

Executive Committee meetings are generally held as matters arise requiring consideration by the Executive Committee, and its activities are discussed with the full Board at Board meetings.

**COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE.** The Compensation and Management Development Committee (the “Compensation Committee”) has overall responsibility for reviewing, evaluating and approving the director, officer and employee compensation plans, policies and programs of the Company and CFBank. The Compensation Committee is responsible for administering our equity compensation plans and for establishing, in consultation with executive management, the Company’s general compensation philosophy and overseeing the development and implementation of executive compensation programs.

During 2018, the Compensation Committee held four (4) meetings. All members of the Compensation Committee are “independent” as defined under the NASDAQ Marketplace Rules. The following directors served as members of the Compensation Committee during 2018:

Compensation Committee Members

Robert H. Milbourne (Chair)

Robert E. Hoeweler

James H. Frautenberg II

Edward W. Cochran

**CORPORATE GOVERNANCE AND NOMINATING COMMITTEE.** The Corporate Governance and Nominating Committee is responsible for identifying qualified director candidates and recommending to the Board of Directors the director nominees for election or appointment to the Board. The Corporate Governance and Nominating Committee considers nominees in the context of standards codified in its Charter and in the Board’s Corporate Governance Guidelines. The Committee also provides oversight on matters involving the size, composition and operation of the Board, including in the areas of committee membership and committee chairpersons. The Committee also leads the Board in its annual review of the Board’s performance. The Corporate Governance and Nominating Committee is authorized to employ professional search firms to assist in identifying potential members of the Board of Directors with the desired skills and disciplines. No such firms were engaged or otherwise utilized during 2018. Final approval of director nominees is determined by the full Board of Directors, based on the recommendation of the Corporate Governance and Nominating Committee.

During 2018, the Corporate Governance and Nominating Committee held one (1) meeting. The following directors served as members of the Corporate Governance and Nominating Committee during 2018:

Corporate Governance and Nominating Committee Members

Thomas P. Ash

Robert E. Hoeweler

Edward W. Cochran

James H. Frauenburg II

Robert H. Milbourne

All members of the Corporate Governance and Nominating Committee during 2018 qualified as “independent” under the NASDAQ Marketplace Rules.

NOMINATING PROCEDURE

The Corporate Governance and Nominating Committee recommends candidates, including incumbents, for election and appointment to the Board of Directors, subject to the provisions set forth in the Company’s Certificate of Incorporation and Bylaws. Nominations are based on the criteria the Committee deems appropriate and consistent with the standards set forth in the Board’s Corporate Governance Guidelines. Criteria considered by the Board may include the following: business experience, education, integrity and reputation, independence, conflicts of interest, diversity, age, number of other directorships and commitments (including charitable obligations), tenure on the Board, attendance at Board and committee meetings, stock ownership, specialized knowledge (such as an understanding of banking, accounting, marketing, finance, regulation and public policy) and a commitment to the Company’s communities and shared values, as well as overall experience in the context of the needs of the Board as a whole. Nominations received from stockholders are considered and evaluated using the same criteria as all other nominations.

Nominations, other than those made by the Board of Directors after its review of the recommendations of the Corporate Governance and Nominating Committee, must be made by timely notice in writing to the Corporate Secretary as set forth in the Company's Bylaws. In general, to be timely, a stockholder's notice must be received by the Company not less than ninety (90) days before the date of the scheduled annual meeting; however, if less than one hundred (100) days' notice or prior disclosure of the date of the scheduled annual meeting is given by the Company, the stockholder has until the close of business on the tenth (10th) day following the day on which notice or prior disclosure of the date of the scheduled annual meeting was made. The stockholder's notice must include:

(i) As to each person whom a stockholder proposes to nominate for election or re-election as a director:

- All information relating to the proposed nominee that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); and

(ii) As to the stockholder giving the notice:

- The name and address of the stockholder as they appear on the Company's books; and
- The class and number of shares of the Company's capital stock that are beneficially owned by the stockholder.

The description above is a summary of the Company's nominating process. Any stockholder wishing to propose a director nominee to the Company must comply in full with the applicable procedures and requirements set forth in the Company's Bylaws, the SEC's proxy rules and Delaware law.

## QUALIFICATIONS OF DIRECTORS

The Board of Directors has codified certain standards for directors in its Corporate Governance Guidelines. These guidelines provide that the Board of Directors should encompass, among other things, a diverse range of viewpoints, backgrounds, experiences and demographics sufficient to build a Board that is effective, collegial and responsive to the Company's operations and interests. The Corporate Governance Guidelines also provide that Board membership should be based on judgment, character, expertise, skills and knowledge useful to the oversight of the Company's business as well as on business or other relevant experience. Further, at all times a majority of the Board must be "independent" as defined from time to time by the listing requirements of NASDAQ and any specific requirements established by the Board. Each director also is expected to:

- provide loyalty, direction and oversight to the business and management of the Company;
- establish strategic direction of the Company;
- exercise business judgment in the best interests of the Company;

- possess sufficient familiarity with the Company's principal operational and financial objectives and plans to ensure active and effective participation in the deliberations of the Board of Directors and each committee on which the director serves; and
- possess the capacity to obtain a basic understanding of the Company's results of operations and financial condition.

The Corporate Governance Guidelines are posted in the Investor Relations section of the Company's website at <http://CFBankonline.com>.

#### CODE OF ETHICS AND BUSINESS CONDUCT

The Board of Directors has adopted a Code of Ethics and Business Conduct, which applies to all of our directors, officers and employees, including directors, officers and employees of CFBank and other subsidiaries. Our Code of Ethics and Business Conduct is posted in the Investor Relations section of our website at <http://CFBankonline.com>.

#### BOARD MEMBER ATTENDANCE AT ANNUAL STOCKHOLDER MEETINGS

Although the Company does not have a formal policy regarding director attendance at annual stockholder meetings, directors are expected to attend these meetings absent extenuating circumstances. All of our directors, as of May 30, 2018, attended last year's annual meeting of stockholders.



## COMMUNICATIONS WITH DIRECTORS

The Board of Directors has adopted a process by which stockholders and other interested parties may communicate with the Board, any individual director or any committee chair by e-mail or regular mail. Communications by e-mail should be sent to bobhoeweler@CFBankmail.com. Communications by regular mail should be sent to the attention of the Board of Directors; any individual director by name; Chair, Audit Committee; Chair, Compensation and Management Development Committee; or Chair, Corporate Governance and Nominating Committee, c/o Corporate Secretary, Central Federal Corporation, 7000 N. High Street, Worthington, Ohio 43085. Management will pass on all communications received to the appropriate director or directors without any screening.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The Audit Committee is responsible for reviewing and overseeing policies designed to identify transactions with “related persons,” including directors, executive officers and beneficial owners of more than 5% of the Company’s capital stock and the immediate family members of any of the foregoing, that are material to the Company’s consolidated financial statements or otherwise require disclosure under applicable rules adopted by the SEC, including those transactions required to be disclosed under Item 404 of SEC Regulation S-K, or the rules of any other appropriate regulatory agency or body. All such transactions must be approved in advance by the Audit Committee. In addition, under the terms of the Company’s Code of Business Conduct and Ethics, the Audit Committee is responsible for reviewing and overseeing all actions and transactions which involve the personal interest of a director or executive officer of the Company and determining in advance whether any such action or transaction represents a potential conflict of interest. Further, under the terms of CFBank’s Insider and Affiliate Credit and Regulation O Policy, all loans made to directors or executive officers of the Company or one of our subsidiaries must be reported to the Senior Credit Officer and the Compliance Officer. All such related party loans must conform to the Company’s credit policy. To the extent any transaction represents an ongoing business relationship with the Company or any of our subsidiaries, such transaction must be reviewed annually and be on terms no more favorable than those which would be usual and customary in similar transactions between unrelated persons dealing at arm’s length.

On an annual basis, each director and each executive officer of the Company must complete a Directors’ and Officers’ questionnaire which requires disclosure of any transaction, arrangement or relationship with the Company and/or any of our subsidiaries since the beginning of the last fiscal year in which the director or executive officer, or any member of his or her immediate family, has or had a direct or indirect interest. As a part of its review process, CFBank compares information to track originations of any new loans for a director or an executive officer, or any member of his or her immediate family, and reconciles all then-current account information to ensure the data has been gathered and recorded accurately.

CFBank policy and the laws and regulations governing insured financial institutions require that any and all loans or extensions of credit made by CFBank to executive officers, directors or their immediate family members, must (i) be made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with persons not related to CFBank, (ii) not involve more than the normal risk of collectability and (iii) not present any other unfavorable features. In addition, loans made to a

director or executive officer may not exceed an amount which, when aggregated with the amount of all other loans to such person and his or her related interests, is equal to 15 percent of CFBank's unimpaired capital and unimpaired surplus in the case of loans not fully secured, and an additional 10 percent of CFBank's unimpaired capital and unimpaired surplus with respect to loans that are fully secured. All loans outstanding to such related persons totaled \$3,671,768 at December 31, 2018 and \$5,469,506 at December 31, 2017, and were performing in accordance with their terms at such dates.

9

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PROPOSAL 1 –

ELECTION OF DIRECTORS

In accordance with the Bylaws of the Company, the number of directors is currently fixed at seven (7). There are currently seven (7) directors serving on the Board, with three (3) directors currently serving terms that will expire at the Meeting. The independent members of the Board have nominated the three (3) directors named below for re-election as directors of the Company to serve three-year terms expiring at the annual meeting in 2022.

NOMINEES

Thomas P. Ash

James H. Frauenberg, II

David L. Royer

Each nominee has consented to serve as a director if elected. Should a nominee decline or be unable to serve, or for good cause will not serve, the Board of Directors reserves the right in its discretion to substitute another person as a nominee or to reduce the number of nominees. In this event, the proxy holders may vote your shares in their discretion for any substitute nominee proposed by the Board of Directors unless you have withheld authority.

The following sets forth information regarding each of the nominees for election as director of the Company and each of the current directors whose term will continue following the meeting. Unless otherwise indicated, each director or director nominee has held his principal occupation for more than five years. There are no family relationships among any of the directors and executive officers of the Company.

NOMINEES

Thomas P. Ash has been Director of Governmental Relations at the Columbus, Ohio-based Buckeye Association of School Administrators since August 2005. Prior to that time, Mr. Ash was Superintendent of Schools, Mid-Ohio Educational Service Center in Mansfield, Ohio from January 2000 through July 2005. Mr. Ash was the Superintendent of Schools, East Liverpool City School District in East Liverpool, Ohio from August 1984 to December 1999. As Superintendent at Mid-Ohio Educational Service Center and East Liverpool City School District, his experience included financial reporting and analysis, supervising and directing financial staff members, implementing and complying with U.S. generally accepted accounting principles (GAAP) reporting requirements, and developing internal controls. Mr. Ash's public-sector and advocacy experience, both on the local level in Columbiana County and on the state level, lends a perspective unique to the Board of Directors. Age 69. Director since 1985.

James H. Frauenberg, II has been the principal owner of Addison Holdings, LLC since 2007, where he has been active in opening/owning new franchises for multiple retail chains including Five Guys Burgers and Fries and Flip Flop Shops. He was the Senior Vice President with Checksmart Financial in Dublin, Ohio from 1995 to 2008. Mr. Frauenberg's strong financial and entrepreneurial skills bring a high level of insight and judgment to the Company and CFBank. Age 43. Director since August 23, 2012.

David L. Royer is the Executive Vice President of Development for Continental Real Estate Companies. He is responsible for project development and capital procurement of various asset classes including apartments, student housing, office, retail and medical office property types. Previously, he served as Vice President of Finance and Development for CREC across a diverse set commercial development projects. Prior to Continental, David served as Vice President for Fifth Third Bank in their commercial real estate group. He earned his finance degree from Miami University (1989) and an MBA from The Ohio State University (1993). David currently serves as a board member for Scioto Country Club, First Community Village Foundation and NAIOP of Central Ohio (a national commercial real estate development association). David is a Past President of The Athletic Club of Columbus (2010) and NAIOP of Central Ohio (2017). Prior board experience includes Junior Achievement of Central Ohio as well as advisory board roles for Sky Bank Central Ohio and FC Bank. David is a member and advisor for the Columbus real estate firm, Kohr Royer Griffith, Inc. David is also a current member of the Columbus Board of Realtors and the National Association of Realtors. David brings extensive business experience and relationships that are valuable to the Company and CFBank. Age 51. Director since July 1, 2018.

## CONTINUING DIRECTORS

Edward W. Cochran has been engaged in the practice of law for 44 years since graduating from Columbia University Law School in 1975. He holds an undergraduate degree from Harvard University, where he was a Harvard National Scholar. Mr. Cochran is admitted to practice before the United States Supreme Court, as well as the courts of Ohio, the U.S. District Court for the Northern District of Ohio, and the United States Circuit Courts of Appeal for the Second, Third, Sixth, Seventh and Ninth Circuits. In addition, Mr. Cochran is involved in various business interests and is a successful investor. Mr. Cochran has strong relationships in Cleveland and brings a valuable legal perspective and regulatory understanding to the Company and CFBank. Age 69. Term expires in 2021. Director since December 19, 2012.

Robert E. Hoeweler has been the Chairman of the Board of the Company and CFBank since August 2012. Since 1980 he has been the Chief Executive Officer of a diverse group of companies owned by the Hoeweler family, including manufacturing, communications, distribution, business services and venture capital entities. He serves on the boards of a major waste management company and a large commercial bakery. He previously has served as the Chairman of two family led businesses in financial services, a midsized community bank and a major payment processing service company. He brings diverse business and banking skills and experience to the Company and CFBank. Age 71. Term expires in 2020. Director since August 23, 2012.

Robert H. Milbourne is President of RHM Advisors, a business consulting firm specializing in financing, corporate development and business strategy for private sector and nonprofit organizations. Mr. Milbourne was the founding President and CEO of the Columbus Partnership, a civic group of the leading CEOs working to improve the economic and cultural future of Central Ohio (from 2002 to 2008). He came to Columbus after serving as President of a similar group in Milwaukee for 17 years. From 1977 to 1985, he was Vice President and Economist for the Kohler Company responsible for strategic planning, real estate development and government affairs. His career started in Wisconsin state government where he served as state budget director. Mr. Milbourne has served on many corporate and nonprofit boards, including AirNet Systems (public company), Skybus Airlines, Care Network, PercuVision, Columbus Chamber, University of Wisconsin Athletic Board, Columbus School for Girls and CEOs for Cities (Chairman). He brings extensive business and government experience and relationships that are valuable to the Company and CFBank. Age 72. Term expires in 2020. Director since May 2013.

Timothy T. O'Dell has been the CEO and a Director of CFBank and the Company since August 2012 and has also served as the President of CFBank and the Company since October, 2015. Prior to joining CFBank in 2012, Mr. O'Dell owned and operated a consulting company specializing in providing advisory services to a number of privately held enterprises in construction, health care, real estate and professional services. Mr. O'Dell previously spent 22 years at Fifth Third Bank, and was a senior executive with Fifth Third's Central Ohio affiliate for 12 of those years, concluding his tenure serving as President and Chief Executive Officer of the Central Ohio affiliate. At Fifth Third's Central Ohio affiliate, Mr. O'Dell also served as Executive Vice President and senior lender and managed its commercial banking, residential, and commercial real estate divisions. Prior to that he managed the Asset Based

Lending Division for Fifth Third Bank engaged in financing growth companies and acquisition financing. During his tenure, Fifth Third's Central Ohio affiliate grew by \$4 billion in deposits and \$5 billion in loans from organic growth and through strategic acquisitions. Mr. O'Dell has served on the board of the Columbus Chamber of Commerce and The Ohio State University Medical Center, and he was a founding investor in the Ohio TechAngel Venture Fund. Mr. O'Dell holds a B.B.A. from Marshall University. Age 65. Term expires in 2021. Director since August 23, 2012.

#### Recommendation and Vote

Under Delaware law and the Company's Bylaws, the three (3) nominees for election as directors of the Company who receive the greatest number of votes "FOR" election will be elected directors. Shares represented by properly executed proxy cards that are received prior to the Meeting and not subsequently revoked will be voted "FOR" the election of the nominees listed above unless authority to vote for one or more nominees is withheld. Stockholders may withhold authority to vote for the entire slate as nominated or may withhold the authority to vote for an individual nominee. Shares as to which the authority to vote is withheld and broker non-votes will be counted for quorum purposes but will not be counted toward the election of directors or toward the election of the individual nominees specified on the proxy card.

The Board of Directors recommends that you vote "FOR" the re-election of each of the nominees listed above.

2018 COMPENSATION OF DIRECTORS

Members of the Board of Directors who are not also officers or employees of the Company or CFBank (“non-employee directors”) receive certain fees for their service on the Boards of Directors of the Company and CFBank. For 2018, each non-employee member of the Board of Directors received an annual retainer, payable quarterly, in the amount of \$36,000, except that (i) the amount of the annual retainer payable to the Chairman of the Board of Directors was \$52,000, and (ii) the amount of the annual retainer payable to the Chairs of the Compensation Committee and the Audit Committee was \$44,000 and \$42,000, respectively. In addition, during 2018, (i) each non-employee director serving as a member of the Executive Committee of the Board of Directors also received an additional annual fee of \$8,000, and (ii) each non-employee director serving as a member of the Loan Committee received an additional annual fee of \$12,000.

Members of the Board of Directors are also eligible to receive restricted stock, stock options and other equity awards under the Company’s equity compensation plans. Effective as of December 19, 2018, each of the directors of the Company was granted 3,300 shares of restricted stock under the Company’s 2009 Equity Compensation Plan, except that (i) each of the Chairs of the Audit Committee and of the Compensation Committee was granted 3,800 and 4,150 shares of restricted stock, respectively, and (ii) Mr. Hoeweler was granted 4,900 shares of restricted stock as Chairman of the Board of Directors. The shares of restricted stock will vest ratably over a three-year period beginning on December 19, 2019.

The following table summarizes the compensation paid to each non-employee director during the year-ended December 31, 2018.

Director Compensation for 2018				
Name	Fees			Total (\$)
	Earned or Paid in Cash (\$)	Stock Awards (\$ (1))	All Other Compensation (\$)	

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Thomas P. Ash	\$ 42,000	\$ 44,441	\$ 1,870	(2) \$ 88,311
Edward W. Cochran	36,000	38,594		74,594
James Frauenberg II	36,000	38,594		74,594
Robert E. Hoeweler	72,000	57,306		129,306
Robert Milbourne	64,000	48,534		112,534
David L. Royer	18,000	19,297		37,297

- (1) Reflects the aggregate grant date fair value of shares of restricted stock awarded to each non-employee director in 2018. No such director received any stock option awards during 2018.
- (2) Reflects the costs associated with life insurance benefits for Mr. Ash.



EXECUTIVE OFFICERS

Provided below is information regarding each of the Company’s executive officers:

3

Name	Age at December 31, 2018	Position held with the Company and/or Subsidiaries
Timothy T. O’Dell	65	Chief Executive Officer of the Company and CFBank since August 2012 and President and Chief Executive Officer of the Company and CFBank since October 2015.
John W. Helmsdoerfer	60	Chief Financial Officer of the Company and CFBank since March 2013; Treasurer of the Company since March 2013.

Mr. Helmsdoerfer has been the CFO of the Company and CFBank since March 2013. As a CPA with over 38 years of financial experience, which includes Big Four public accounting and 28 years as a CFO, he has a diverse finance and operations background in addition to his financial services background. Prior to joining CFBank, Mr. Helmsdoerfer spent 18 years with Fifth Third Bank where he held positions as both a CFO and Regional CFO for the Central Ohio affiliate and region. He also served as CFO for Nationwide Bank and Wilmington Savings Bank during his career. Mr. Helmsdoerfer holds a B.S.B.A degree from Miami University where he graduated cum laude.

The biography for Mr. O’Dell is included in the section entitled “PROPOSAL 1 – ELECTION OF DIRECTORS” above.

COMPENSATION OF EXECUTIVE OFFICERS

OVERVIEW OF COMPENSATION PROGRAMS

The Compensation Committee of the Board has overall responsibility for reviewing, evaluating and approving the director, officer and employee compensation plans, policies and programs of the Company and CFBank. The Compensation Committee is responsible for administering our equity compensation plans and for establishing, in consultation with executive management, the Company's general compensation philosophy and overseeing the development and implementation of executive compensation programs. The responsibilities of the Compensation Committee include, but are not limited to: evaluation and approving goals and objectives relevant to compensation of the President and Chief Executive Officer and other executives; evaluating the performance of those executive officers in light of those goals and objectives; and recommending to the Board compensation policies for non-employee directors.

The Company's compensation programs for executive officers include a base salary as the primary source of compensation. However, other forms of compensation are utilized including: bonus incentive; stock options; restricted stock; retirement plans; health and life insurance benefits; and other perquisites including car and mobile phone allowances.

The Compensation Committee regularly reviews the Company's compensation programs to ensure that controls are in place to ensure that employees are not presented with the opportunity to take unnecessary or excessive risks that could threaten the value of the Company. The Committee reviews and approves both the Company-wide and individual performance objectives that are used to determine how incentive payments are determined. The performance metrics are based on customary financial institution performance metrics as well as peer comparisons and trend analysis.

No compensation consultants were engaged by the Compensation Committee or the Board in 2018 or 2017.

## COMPENSATION PHILOSOPHY AND OBJECTIVES

The Company's compensation programs are designed to provide market-relevant incentives and rewards to employees in positions of leadership who are largely responsible for the success and growth of the Company and CFBank, and to assist the Company and CFBank in attracting executives and other key employees with experience and ability. Our compensation objectives begin with the premise that our success depends on the dedication and commitment of the employees in key management positions, and our compensation programs are intended to incentivize those employees to successfully implement our business strategy and corporate goals. We base our compensation practices on meeting the demands of the employment market, aligning the compensation of our employees with our stockholders' interests, and driving superior performance.

Our compensation programs are designed to reward employees based upon their management responsibilities, performance levels, and their ability to create long-term value. Other considerations in the design of our compensation programs include: safe and sound operation of CFBank; management of business risk; experience levels to operate in a complex business environment; and the retention and development of incumbent executive management. The Company's compensation program includes an annual review and adjustment to base salary based on company-wide and individual performance objectives by which each employee's contribution to the Company's success is measured.

The Company believes that its incentive compensation arrangements appropriately balance risk and financial results in a manner that does not expose the Company to imprudent risk-taking. As such, the Company's incentive compensation arrangements take into account the risks, as well as the financial benefits, from the employee's activities and the impact of those activities on the Company's safety and soundness. In addition to the compensation programs being balanced in design, the implementation is such that the actual payouts of incentive compensation may vary based on risks or risk outcomes. Appropriate personnel have input into the process to assess the effectiveness of these processes in discouraging imprudent risk-taking. In addition, the Company monitors performance against key measurements and reserves the flexibility to revise the payout of incentive compensation as needed to reflect risks appropriately.

## COMPONENTS OF COMPENSATION

Our executive compensation program is designed to be simple, competitive and link pay to performance. For 2018, the compensation paid to our executive officers consisted of the following components:

- base salary;
- restricted stock awards granted under our 2009 Equity Compensation Plan;

- performance-based cash incentive awards under our Incentive Compensation Plan; and
- 401(k) plan matching contributions and car and mobile phone allowances for certain executive officers.

In August 2016, the Company adopted the Central Federal Corporation Incentive Compensation Plan (the “Incentive Compensation Plan”), pursuant to which the Compensation Committee is authorized to grant employees of the Company or CFBank the opportunity to earn awards of incentive compensation based on the achievement of performance objectives established by the Committee. In connection with the Company’s performance in 2018, the Compensation Committee and the Board of Directors approved the grant of awards to Timothy O’Dell and John Helmsdoerfer under the Incentive Compensation Plan. For additional information regarding the Incentive Compensation Plan and the awards granted thereunder, see “— Incentive Compensation Plan Information” below.

The Company and CFBank has entered into an employment agreement with each of Timothy T. O’Dell, President and Chief Executive Officer of CFBank, and John W. Helmsdoerfer, Executive Vice President and Chief Financial Officer of CFBank. See “— Employment Agreements” below for additional information.

## 2018 COMPENSATION

In accordance with the rules established by the SEC, the Company is required to provide certain data and information in regard to the compensation and benefits provided to the Company’s President and Chief Executive Officer and certain of its other most highly compensated executive officers of the Company for the years ended December 31, 2018 and 2017. During the year ended December 31, 2018, the Company had two executive officers (the “named executive officers”) – Timothy T. O’Dell, President and Chief Executive Officer, and John W. Helmsdoerfer, Executive Vice President and Chief Financial Officer – who are included in the Summary Compensation Table below.

## Summary Compensation Table

Name and Principal Position	Year	Salary	Stock Awards (1) (\$)	Non-equity Incentive Plan Compensation (2)	All Other Compensation (3)	Total
Timothy T. O'Dell President and Chief Executive Officer	2018	\$ 300,000	\$ 116,950	\$ 300,000	\$ 24,010	\$ 740,960
	2017	\$ 269,167	\$ 112,640	\$ 275,000	\$ 19,214	\$ 676,021
John W. Helmsdoerfer Executive Vice President and Chief Financial Officer	2018	\$ 237,500	\$ 64,050	(4) \$ 160,000	\$ 21,480	\$ 483,030
	2017	\$ 222,500	\$ 53,760	\$ 140,000	\$ 18,564	\$ 434,824

- (1) Reflects the aggregate grant date fair value of shares of restricted stock awarded to each named officer in 2018 and 2017. No named executive officer received any stock option awards during 2018 and 2017.
- (2) Reflects amounts earned by the named executive officer for the applicable year under the Incentive Compensation Plan.
- (3) The amounts shown in the "All Other Compensation" column represent employer matching contributions to the 401(k) plan, car and mobile phone allowances and premiums for group term life insurance paid with respect to each named executive officer.
- (4) In connection with the Company's performance in 2018, Mr. Helmsdoerfer was granted 5,000 shares of restricted stock on February 27, 2019, with an aggregate grant date fair value of \$64,050.

## EQUITY COMPENSATION PLAN INFORMATION

On May 21, 2009, the stockholders of the Company approved the Central Federal Corporation 2009 Equity Compensation Plan (the "2009 Plan"). The 2009 Plan was developed to provide incentives and rewards to those employees and directors who are largely responsible for the success and growth of the Company and its affiliates, and to assist the Company and CFBank in attracting and retaining directors, executive officers and other key employees with experience and ability. The 2009 Plan provides for discretionary grants of stock options, stock appreciation rights and restricted stock. The First Amendment to the 2009 Plan approved by stockholders at the May 13, 2013 annual meeting increased the number of shares of common stock reserved for awards thereunder to 1,500,000 (or 272,727 shares after the effect of 1-for-5.5 reverse stock split effected on August 20, 2018). Stock Options expire after ten years and vest over a three-year period; the exercise price of the options is set based upon the fair market value of our common stock at the date of the grant. Shares of restricted stock vest over a three-year period. The 2009 Plan terminated in accordance with its terms on March 19, 2019 and, as a result, no further awards may be granted under the 2009 Plan.

Awards for 2018 Fiscal Year

Effective as of December 19, 2018, Mr. O'Dell was granted 10,000 shares of restricted stock. The shares of restricted stock will vest ratably over a three-year period beginning on December 19, 2019.

Effective as of February 27, 2019, Mr. Helmsdoerfer was granted 5,000 shares of restricted stock. The shares of restricted stock will vest ratably over a three-year period beginning on February 27, 2020.

15

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Outstanding Equity Awards at Fiscal Year End

The following table shows information regarding equity awards outstanding to our named executive officers as of December 31, 2018. All outstanding equity awards were granted under the 2009 Plan.

Outstanding Equity Awards at Fiscal Year-End for 2018  
Option Awards

Stock Awards

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)
Tim T. O'Dell	9,090	-	\$ 7.87	10/16/23	

- Pertain to the maintenance of records that, in reasonable detail, reflect the transactions and dispositions of our assets

- Provide reasonable assurance that transactions are properly recorded for the preparation of financial statements-in accordance with generally accepted accounting principles, and receipts and expenditures are properly supported by authorizations of our management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could result in a material misstatement of our annual financial statements or inter financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis, which may result in our not being able to abide by controls, error or fraud. In addition, projections of the effectiveness of internal control to future periods are subject to the risk that the controls may be inadequate because of changes in conditions, or that the degree of compliance with the controls or procedures may deteriorate.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statement will not be prevented or detected and corrected in a timely manner. In its assessment of the effectiveness of internal control over financial reporting as of December 31, 2007, our management identified the following material weaknesses:

During the year end procedures a number of misstatements were identified in the draft financial statements for the year ended December 31, 2007. These misstatements and disclosure deficiencies were corrected by management and such corrections are reflected in our consolidated financial statements. Management determined that these adjustments had resulted in a material misstatement. We do not have sufficient accounting and finance personnel with sufficient accounting knowledge to properly address certain non-routine reporting matters and this control deficiency constitutes a material weakness.

As at December 31, 2007, other areas of control deficiencies identified are noted as follows:

- a lack of segregation of duties. Due to the small size of our company, it is not an effective way to completely segregate tasks and as a result, there was a misstatement. However, management's oversight and lack of review of disbursements limits the scope for inappropriate transactions;
- the audit committee did not have an independent member with financial reporting expertise. Company has addressed this problem by appointing a member with this expertise;
- we had not formalized a code of ethics;
- we had not implemented a whistleblower policy. We have implemented a whistleblower policy in 2008;
- we do not have any personnel with adequate understanding of internal control over financial reporting.

During the reporting period and subsequent to the identification of the material weaknesses in internal control over financial reporting, we have made certain changes to our internal control over financial reporting. These changes include:





- we have engaged and appointed a chief financial officer with a CPA accountant designation who has extensive experience in the mining exploration area;
- we have appointed an independent director with financial expertise to the audit committee;
- we have adopted a code of ethics;
- we have undergone a systematic analysis of our internal control reporting based on the COSO model;
- we have documented our corporate governance policies.

Our management has worked, and will continue to work to improve our internal controls over financial reporting. Except for the actions described above, there are no known material weaknesses in our internal control over financial reporting that has materially affected, or is likely to materially affect, our internal control over financial reporting.

**ITEM 16A AUDIT COMMITTEE FINANCIAL EXPERTISE**

Effective February 28, 2008, the audit committee of our board of directors has a financial expert, namely Mr. Marc LeBlanc. Our board of directors has a total of five members. Mr. LeBlanc is an independent director using the definition of independent director of the American Stock Exchange. We believe that the members of the audit committee are collectively capable of analyzing and evaluating our financial statements and internal controls and procedures for financial reporting. Our management believes the cost of retaining a financial expert at this time would be prohibitive for our operations, is not currently warranted.

**ITEM 16B CODE OF ETHICS**

We have adopted a written code of ethics. A copy of the code of ethics is available as an exhibit to this Annual Report.

**ITEM 16C PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The following table sets forth information regarding the fees paid to our independent auditors, Davidson & Company LLP for our fiscal year ended December 31, 2007, and Manning Elliott LLP, for our fiscal year ended December 31, 2006.

	Years ended December 31,	
	2007	2006
Audit Fees:	\$45,720	\$45,720
Audit Related Fees:	Nil	Nil
Tax Fees:	Nil	Nil
All Other Fees:	Nil	Nil
<b>Total:</b>	<b>\$45,720</b>	<b>\$45,720</b>

**Audit Fees**

Audit Fees are the aggregate fees billed by our independent auditors for the audit of our consolidated annual financial statements, reviews of interim financial information, and other attestation services that are provided in connection with such engagements.

**Policy on Pre-Approval by Audit Committee of Services to be Performed by Independent Auditors**

The policy of our Audit Committee is to pre-approve all services to be performed by our independent auditors during the year.

**ITEM 16D EXEMPTIONS FROM THE LISTING REQUIREMENTS OF THE NYSE LISTING RULES**

Not applicable.

**ITEM 16E PURCHASE OF EQUITY SECURITIES BY AFFILIATED PURCHASERS**

Not applicable.

**PART III**

**ITEM 17 FINANCIAL STATEMENTS**

The following attached financial statements are incorporated

Consolidated Financial Statements of Lincoln Gold Corpora  
31, 2007, comprised of the following:

- (a) Independent Auditor's Report of Davidson & C  
Accountants;
- (b) Consolidated Balance Sheets as at December 31, 2007 a
- (c) Consolidated Statements of Operations, Comprehensive  
years ended December 31, 2007, 2006 and 2005;
- (d) Consolidated Statements of Cash Flows for the years e  
2006 and 2005;
- (e) Notes to Consolidated Financial Statements.

- 86 -

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**LINCOLN GOLD CORPORA**  
(An Exploration Stage Compa

**CONSOLIDATED FINANCIAL STA**  
(Expressed in United States do

**December 31, 2007**

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**DAVIDSON &  
COMPANY  
LLP**

A Partner  
Chartered Accountants

**INDEPENDENT AUDITORS' R**

To the Shareholders of  
Lincoln Gold Corporation

We have audited the consolidated balance sheets of Lincoln Gold Corporation as at December 31, 2007 and 2006 and the consolidated statements of operations, deficit and cash flows for the years ended December 31, 2007 and 2006. The preparation of these financial statements is the responsibility of the Company's management. We express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with Canadian generally accepted accounting principles and with the standards of the Public Company Accounting Standards Board. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and estimates made by management, as well as evaluating the overall presentation.

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 2007 and 2006, and the operations and cash flows for the years ended December 31, 2007 and 2006 in accordance with Canadian generally accepted accounting principles.

**DAVIDSON & COMPANY**

Vancouver, Canada

April 21, 2008  
(except as to Note 15, which  
is as of July 9, 2008)

**COMMENTS BY AUDITORS FOR U.S. REPORTING PURPOSES  
U.S. REPORTING DIFFERENCES**

In the United States, reporting standards for auditors require the inclusion of an emphasis of matter paragraph (following the opinion paragraph) when the financial statements contain conditions and events that cast substantial doubt on the Company's ability to continue as a going concern, such as those described in Note 1 to the financial statements. The financial statements of Lincoln Gold Corporation as at December 31, 2007 and 2006, and the operations and cash flows for the years ended December 31, 2007 and 2006, were prepared and expressed in accordance with Canadian reporting standards. We do not express an opinion on such events and conditions in the auditors' report when they are not required by Canadian reporting standards for financial statements.

Vancouver, Canada

April 21, 2008  
(except as to Note 15, which  
is as of July 9, 2008)

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1G6  
Telephone (604) 687-0947 Fax (604)

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**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Consolidated Balance Sheets**  
(Expressed in United States dollars)

**ASSETS**

**Current**

Cash  
Receivables  
Loan receivable (Note 4(e)(iii))  
Prepays and advances

**Equipment** (Note 3)  
**Deferred financing costs** (Note 14)

**LIABILITIES AND SHAREHOLDERS' DEFICIENCY**

**Current**

Accounts payable and accrued liabilities  
Note payable (Note 5)

**Shareholders' deficiency**

Share capital (Note 6)  
Authorized  
    Unlimited common shares without par value  
Issued and outstanding  
    51,391,666 (2006 - 42,990,000)  
Share subscriptions received in advance (Note 14)  
Obligation to issue shares (Note 6)  
Contributed surplus (Note 6)  
Deficit

**Nature and continuance of operations** (Note 1)

**Subsequent events** (Note 14)

**On behalf of the Board:**

*Paul Saxton*      Director      *Andrew Milligan*



Paul Saxton

Andrew Milligan

The accompanying notes are an integral part of these con

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**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Consolidated Statements of Operations, Comprehensive Income and Retained Earnings**

(Expressed in United States dollars)

Years ended December 31	2019	2018
<b>Exploration Expenses</b> (Note 4)	\$	319,300
<b>Administrative Expenses</b>		
Advertising and promotion		22,400
Administrative support		4,300
Amortization		29,800
Consulting fees		4,600
Foreign exchange loss		151,400
Investor relations		25,800
Management fees		31,600
Office		190,400
Professional fees		5,100
Property investigation and due diligence		28,000
Regulatory and shareholder services		244,300
Stock-based compensation (Note 7)		13,700
Travel and entertainment		
<b>Loss before other items</b>		(1,071,100)
<b>Other items</b>		
Accounts payable written off		
Interest income		4,200
Interest expense (Note 5)		(11,800)
<b>Loss and Comprehensive Loss for the year</b>		(1,078,700)
Deficit, beginning of year		(3,537,100)
Deficit, end of year	\$	(4,615,800)
Basic and diluted loss per common share	\$	(0.00)
Weighted average number of common shares outstanding		47,172,000

The accompanying notes are an integral part of these consolidated financial statements.

**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Consolidated Statements of Cash Flows**  
(Expressed in United States dollars)

Years ended December 31	2
<b>Cash Flows From Operating Activities</b>	
Loss for the year	\$ (1,078)
Items not affecting cash:	
Accounts payable written off	
Amortization	4
Shares issued for mineral property costs	14
Shares issued for services	
Services in exchange for share issuance obligation	
Stock-based compensation	244
Changes in non-cash working capital items	
Increase in receivables	(3)
Increase in loan receivable	(5)
Decrease (increase) in prepaids and advances	(103)
Decrease (increase) in accounts payable and accrued liabilities	163
Net cash used in operating activities	(763)
<b>Cash Flows From Financing Activities</b>	
Repayment of advances from related parties	
Repayment of loan payable	
Repayment of note payable	
Shares issued for cash	752
Share subscriptions received in advance	197
Share issue costs	(37)
Deferred financing fee	(19)
Net cash provided by financing activities	892
<b>Cash Flows From Investing Activities</b>	
Acquisition of equipment	(27)
Mineral property expenditures	
Net cash used in investing activities	(27)
<b>Change in cash during the year</b>	<b>101</b>
Cash, beginning of year	21
Cash, end of year	\$ 123

Supplementary disclosure with respect to cash flows (Note 11)

Cash paid for interest	\$
Cash paid for income taxes	\$

The accompanying notes are an integral part of these con

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**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**1. NATURE AND CONTINUANCE OF OPERATION**

Lincoln Gold Corporation (the Company) was incorporated on February 17, 1999 under the name of Braden Technology Corporation. In 2004, the Company acquired 100% of the issued and outstanding shares of Braden Technology Corporation, a private company incorporated in the State of Nevada on April 6, 2003. On April 6, 2004, the Company and its subsidiary Braden Technology Corporation reformed into Lincoln Gold Corporation.

On November 20, 2007, the Company completed a change of jurisdiction from Nevada to Canada under the Canada Business Corporations Act (CBCA). Unlike the Nevada jurisdiction, the Company does not have par value shares and, accordingly, prior period financial statements have been revised to reflect this change. In addition, the Company's authorized capital has been increased from 100,000,000 to unlimited.

The Company is engaged in the acquisition and exploration of mineral properties. Its primary aim of developing properties to a stage where they can be developed. To date, the Company and its subsidiary have not earned any revenue and are to be in the exploration stage.

These financial statements have been prepared in accordance with accounting principles in Canada ("Canadian GAAP"). The Company will be able to realize its assets and discharge its liabilities in the course of business rather than through a process of forced liquidation. The Company has a history of operating losses and has a working capital deficiency of \$130,363 as of December 31, 2007 (December 31, 2006 deficiency \$130,363). The Company has programs that will require that the Company raise additional capital. These financial statements do not include any adjustments to the amounts and classification of liabilities that might be necessary should the Company be unable to raise capital. This is a concern.

The operations of the Company have been primarily financed through the use of capital and debt. Continued operations of the Company are dependent on the ability to complete additional equity financings or generate sufficient cash in the future. Such financings may not be available or may not be sufficient.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The Company's significant accounting policies are as follows:

**Basis of consolidation**

These consolidated financial statements include the a wholly-owned subsidiary, Minera Lincoln de Mexico, from the date of formation. All significant intercompany transactions have been eliminated upon consolidation.

**Use of estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Significant areas requiring the use of management estimates include the impairment of assets, stock-based compensation, asset impairment, and lives estimate and valuation allowances on future income tax assets. Actual results may differ from these estimates.

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**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
(Expressed in United States dollars)

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Presentation**

Where applicable, comparative figures have been presented for the prior year. The presentation used in the current year.

**Equipment**

Equipment is recorded at cost and amortization is provided over the following periods: Office equipment five years; computer equipment three years; and vehicles three years.

**Mineral property interests**

The Company charges to operations all exploration and development costs prior to the determination of economically recoverable reserves. These costs include periodic fees such as license and maintenance fees.

The Company capitalizes direct mineral property acquisition and development expenditures incurred following the determination of economically recoverable reserves. Mineral property interests are valued at the consideration and the fair value of common shares received for the property interests, pursuant to the terms of the relevant agreements. These interests are amortized over the estimated life of the property following production, or written off if the property is sold, allowed for impairment if impairment in value has been determined to have occurred, and reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

**Asset retirement obligations**

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of the carrying amount of the related long-lived asset is incurred. The liability is measured at the carrying amount of the related long-lived asset is incurred.

Changes in the liability for an asset retirement obligation are measured by applying an interest method of allocation. Changes resulting from revisions to the timing or the amount of the undiscounted cash flows are recognized as an increase or decrease in the amount of the liability and the related long-lived asset.

The Company does not have any significant asset retire

**Loss per share**

The Company uses the treasury stock method to compute loss per share for warrants and similar instruments. Under this method, loss per share is recognized on the use of the proceeds that would be used to purchase options, warrants and similar instruments. It assumes that the Company would purchase common shares at the average market price during the period presented, this calculation proved to be anti-dilutive. For the years ended 2005 the total number of potentially dilutive shares was 11,587,500, 7,147,500 and 7,835,000, respectively.

Loss per share is calculated using the weighted average number of shares outstanding during the period.

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**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
(Expressed in United States dollars)

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Foreign currency translation**

The operations of the Company's subsidiary, which is a foreign operation, are translated into United States dollars. Under this method, monetary assets and liabilities are translated at exchange rates. Non-monetary assets and liabilities are translated at the date of the transactions. Exchange gains and losses are included in operating results.

**Stock-based compensation**

The fair value of stock options granted is determined using a pricing model and recorded as stock-based compensation expense for stock options.

**Income taxes**

Future income taxes are recorded using the asset and liability method. Assets and liabilities are recognized for the future tax consequences of differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax assets are recognized using the enacted or substantively enacted tax rates expected to be realized or the liability settled. The effect on future tax assets and liabilities of changes in tax rates is recognized in income in the period that such changes occur. To the extent that the Company does not expect to realize a future tax asset will be recovered, it provides a valuation allowance.

**Deferred financing costs**

Costs directly identifiable with the raising of capital are recorded as capital stock. Costs related to shares not yet issued are recorded as deferred costs. These costs will be deferred until the issuance of the shares, at which time the costs will be charged against the proceeds from the operations if the shares are not issued.

Deferred financing costs consist primarily of corporate financing costs.

**Adoption of new accounting policies:**

*Financial instruments*

Effective January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ( CICA ) Comprehensive Income ( Section 1530 ), Section Instruments Recognition and Measurement ( Section Instruments Disclosure and Presentation and Section which apply to fiscal years beginning on or after October for the recognition and measurement of financial instruments accounting. Section 1530 establishes standards comprehensive income which is defined as the change other events from non-owner sources. Other comprehensive recognized in comprehensive income but that are excluded accordance with Canadian generally accepted accounting.

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**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
(Expressed in United States dollars)

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Under Section 3855, all financial instruments are classified as held-for-trading, held-to-maturity investments, loans and other financial assets or other financial liabilities. All financial instruments are measured in the balance sheet at fair value except for held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value are determined by the classification as follows: (1) held-for-trading financial instruments and changes in fair value are recognized in net income; (2) held-to-maturity investments are measured at fair value with changes in fair value recognized in comprehensive income until the instrument is derecognized; (3) derivative instruments, including embedded derivatives, are measured at fair value unless they qualify for the normal sale exception. Changes in their fair value are recorded in income unless they are used, in which case changes in fair value are recorded in

As a result of the adoption of these new standards, the Company's held-for-trading receivables are classified as loans and other financial assets and accrued liabilities as well as note payable are classified as other financial liabilities, all of which are measured at amortized cost.

Section 3855 also provides guidance on accounting for the issuance of debt instruments or modification of a financial liability. Premiums now deducted from the financial liability and are amortized on a straight-line method over the expected life of the related liability.

There was no adjustment to opening balances as a result of the new standards.

*Accounting Changes*

The AcSB issued CICA Handbook Section 1506. The new standard requires that (a) voluntary changes in accounting policy are made prospectively; (b) errors are corrected retrospectively (see section 1506.01); (c) prior period errors are corrected retrospectively (see section 1506.02); and (d) changes in accounting policies, changes in estimates, and correction of errors. This new standard was effective for the Company on January 1, 2007.

**Recent accounting pronouncements**

*Assessing Going Concern*

The Accounting Standards Board ("AcSB") amended CICA Handbook Section 3862, *Financial Instruments - Recognition and Measurement*, to include requirements for management to assess and disclose the entity's ability to continue as a going concern. This section applies to interim and annual financial statements to fiscal years beginning on or after January 1, 2008.

*Financial Instruments*

The AcSB issued CICA Handbook Section 3862, *Financial Instruments - Recognition and Measurement*, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments to the entity's financial position and performance; and (b) the nature and extent of the risks associated with financial instruments to which the entity is exposed during the period and how the entity manages those risks. The principles apply to the recognition, measurement, and presentation of financial assets and liabilities in Section 3855, *Financial Instruments - Recognition and Measurement*, Section 3863, *Financial Instruments - Presentation*, and Section 3864, *Financial Instruments - Disclosures*, which applies to interim and annual financial statements relating to fiscal years beginning after October 1, 2007.

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**LINCOLN GOLD CORPORATION**  
 (An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
 (Expressed in United States dollars)

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

The AcSB issued CICA Handbook Section 3863, *Financial Instruments*, which is to enhance financial statement users' understanding of financial instruments to an entity's financial position, presentation and disclosure. This section establishes standards for presentation of financial instruments, including derivatives. It deals with the classification of financial instruments of the issuer, between liabilities and equity, the classification of dividends, losses and gains, and the circumstances in which liabilities are offset. This section applies to interim financial statements relating to fiscal years beginning on or after October 1, 2007.

*Capital Disclosures*

The AcSB issued CICA Handbook Section 1535, *Capital Disclosures*, which requires disclosing information about an entity's capital and debt. This section applies to interim and annual financial statements relating to fiscal years after October 1, 2007.

The Company is currently assessing the impact of the above standards on its consolidated financial statements.

*International Financial Reporting Standards ( IFRS )*

In 2006, the Canadian Accounting Standards Board (ASB) announced a strategic plan that will significantly affect financial reporting for public companies. The AcSB strategic plan outlines the conversion to IFRS over an expected five year transitional period. The ASB has announced that 2011 is the changeover date for public companies to be replacing Canada's own GAAP. The date is for interim financial statements relating to fiscal years beginning on or after January 1, 2011. The ASB will require the restatement for consolidated financial statements reported by the Company for the year ended December 31, 2007. The Company has begun assessing the adoption of IFRS for 2011, the date of the transition to IFRS cannot be reasonably estimated at this time.

**3. EQUIPMENT**

December 31, 2007

	Accumulated	Net
Cost	Amortization	Book Value

Computer equipment	\$ 7,610	\$ 4,181	\$ 3,429	\$ 4
Computer software	1,345	1,345	-	1
Office equipment	4,225	1,868	2,357	3
Vehicle	23,597	1,781	21,816	
	\$ 36,777	\$ 9,175	\$ 27,602	\$ 9

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**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**4. MINERAL PROPERTY INTERESTS**

The Company's mineral property interests are comprised of interests in the United States and in Mexico. The Company incurred exploration expenditures in 2007:

	Hannah	JDS	United States	
			Jenny Hill	Pine Grove
Exploration and related expenditures				
Option, lease and advance royalty	\$ 15,000	\$ -	\$ -	\$ 32,000
payments				
Geochemistry	-	-	-	-
Contractors	4,625	134	400	8,841
General administration	33	-	12	459
Maintenance	3,075	-	-	44,539
Field supplies	-	-	-	32
Resource estimation	-	-	-	50,074
Imagery	-	-	-	47
Shipping	-	-	-	35
Travel and accommodation	109	-	148	1,456
Total mineral property expenditures 2007	\$ 22,842	\$ 134	\$ 560	\$ 137,483

The Company incurred exploration expenditures as follows in

	Hannah	JDS	United States	
			Jenny Hill	Pine Grove
Exploration and related expenditures				

Option, lease and advance royalty	\$	-	\$	-	\$	-	\$	-
payments								
Geochemistry		-	4,365		-		-	
Contractors		2,258	492		-		2,200	
General		32	42		-		50	
administration								
Geophysics		1,000			-		-	
Maintenance		13,078			-		-	
Field supplies		5			-		-	
Imagery		-			-		-	
Travel and accommodation		418			-		-	343
Total mineral property expenditures 2006	\$	16,791	\$	4,899	\$	-	\$	2,593



**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**4. MINERAL PROPERTY INTERESTS (continued )**

The Company incurred exploration expenditures as follows:

	Hannah	JDS	Jenny Hill	United States Buffalo Valley
Exploration and related expenditures				
Geochemistry	\$ 3,699	\$ (1,091)	9,628	\$ -
Drilling and metallurgical	112,749	-	-	-
Contractors	31,492	6,168	41,475	4,212
General administration	-	175	336	430
Geologic mapping	794	794	751	-
Maintenance	10,363	11,526	62,957	20,092
Field supplies	1,109	-	1,237	-
Geophysics	-	5,775	28,489	-
Imagery	-	-	-	-
Reclamation	1,729	-	-	-
Travel and accommodation	8,014	646	7,473	1,202
Total mineral property expenditures 2005	\$ 169,949	\$ 23,993	152,346	\$ 25,936

**United States**

## a) Hannah Property

On December 24, 2003, the Company entered into a 100% interest in certain unpatented lode claims Nevada, USA. The option agreement called for net upon production. Pursuant to the option agreement make option payments totaling \$210,000 as follows:

- \$5,000 upon signing the agreement (paid);

- \$5,000 on January 10, 2005 (paid);
  - \$10,000 on January 10, 2006 (paid);
  - \$15,000 on January 10, 2007 (paid; see below)
  - \$25,000 on January 10<sup>th</sup> of each year from 2008 to 2012
  - \$50,000 on January 10, 2013.
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**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
(Expressed in United States dollars)

**4. MINERAL PROPERTY INTERESTS (continued )**

b) JDS Property

In fiscal 2004, the Company acquired, by staking, claims in Eureka County, Nevada, USA.

c) Buffalo Valley Property

On July 9, 2004, the Company entered into a mineral lease agreement with North Resources (U.S.A.) Inc. ( Nevada North Resources ) for a term of three years. The agreement called for the Company to make advance payments of \$30,000 ( \$30,000 paid ) over three years to the lessor.

On July 26, 2005, the Company entered into an option agreement with the same lessor. Under the agreement, the right to earn up to a 75% interest in the property. If the optionee exercised the option, the optionee had a work commitment of \$1,500,000. Since exploration results were considered poor, the option was not exercised. On May 24, 2006, the Company terminated its lease agreement with the lessor.

d) Jenny Hill Property

On September 28, 2004, the Company entered into a purchase agreement comprising certain mineral claims in Eureka County, Nevada for a term of seven years. The agreement called for the Company to make option payments \$1,500,000 ( \$45,000 paid ) over three years. The Company completed a work program on the property of \$500,000. The Company paid \$100,000 for the second and each subsequent year until the program was completed. The agreement was subject to a net smelter returns agreement.

During fiscal 2007, the Company decided not to purchase the property and terminated the option agreement.

e) Pine Grove Property

During fiscal 2007 the Company entered into a mineral lease agreement with Wheeler Mining Company ( Wheeler ), Lyon Gold Company ( Lyon ), and Votipka ( Votipka ) which collectively comprise the Pine Grove Property.

i) On July 13, 2007 the Company entered into an option agreement with Wheeler's 100% owned mining claims in Lyon County, Nevada. The agreement called for the Company to make option payments of \$1,500,000 from 2007 to December 31, 2022 with an exclusive right to purchase the property by written notice to December 31, 2023. If the Company does not commence commercial production by November 1 of each year, the option will terminate.

may renew the lease for a period of one year to the lease owner prior to November 15 of that year.

The Company must produce a bankable feasibility study by July 1, 2009 and obtain all necessary funding for commercial production. The Company must pay a 7% net smelter royalty upon commencement of commercial mining and the Company must pay a 5% net smelter royalty on gold produced and sold from the properties.

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**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**4. MINERAL PROPERTY INTERESTS (continued )**

The following non-refundable advance net smelter royalty Company:

- \$10,000 upon signing the agreement (paid); a
- \$30,000 prior to each one year anniversary of

ii) On July 30, 2007 the Company entered into an agreement with Votipka to acquire three claims located within the Votipka Mining District in Lyon County, Nevada in return for a net smelter royalty of \$12,000 (paid). Upon commencement of production, the Company will pay a 5% net smelter royalty to Votipka.

iii) On August 1, 2007 the Company entered into an agreement with Lyon Grove to lease the Wilson Mining Claim located in Lyon County, Nevada from August 1, 2007 to August 1, 2008 with an option to purchase. The Company can exercise the option to purchase the lease for up to ten additional one year terms. The Company is conducting exploration mining on the claim. Upon expiration of the term immediately preceding the option extension term.

The following lease payments must be made by the Company:

- \$10,000 upon signing the agreement (paid)
- \$25,000 prior to each one year anniversary of

f) Lincoln Flat Property

During fiscal 2005, the Company determined not to purchase the property and terminated the option agreement.

**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**4. MINERAL PROPERTY INTERESTS (continued )**

**Mexico**

**La Bufa Property**

On August 5, 2005, the Company entered into a Letter of Intent ( "Almaden" ) to form a joint venture for the exploration of mineral property, located in Chihuahua, Mexico. Under the Letter of Intent, the Company acquired a 51% interest in the La Bufa property by spending \$2,000,000 and by issuing 350,000 shares of the Company to Almaden (the "Shares") and by issuing 350,000 shares of the Company to Almaden (the "Shares") valued at a value of \$10,000 on March 15, 2006). The value of the Shares issued at a value of \$9,600 on April 16, 2007, which was recorded as of December 31, 2006.

On April 12, 2007, the Company entered into an option agreement to acquire a 60% interest in the La Bufa property located in Chihuahua, Mexico, under the prior Letter of Intent. The agreement calls for the Company to invest on the property aggregating \$3,500,000 and issuing an amount of shares as follows:

**Work Program:**

- By April 12, 2008 \$ 500,000 which must be paid in cash
- By April 12, 2009 \$ 750,000
- By April 12, 2010 \$1,000,000
- By April 12, 2011 \$1,250,000

**Share issuances:**

- By April 19, 2007 150,000 shares (issued for cash)
- By April 12, 2008 200,000 shares (issued for cash)
- By April 12, 2009 200,000 shares
- By April 12, 2011 1,000,000 shares

At December 31, 2007 \$101,150 has been advanced to Almaden and is included in prepaids and advances.

**5. NOTE PAYABLE**

On January 28, 2004, the Company issued a \$200,000 note payable with warrants to purchase common stock of the Company at a price of \$0.04 per share on January 28, 2006. The note carried an interest rate of 10% and was due on January 28, 2006. The interest was payable annually on the date of payment due with the principal amount. The holder could exercise the warrants to purchase common stock at the value of \$0.04 per share until January 28, 2006.

be exercised in minimum amounts of 1,000 shares at  
share.

On September 15, 2005 the Company completed an a  
repaid \$100,000 of the convertible note along with \$35,  
repay the remaining \$100,000 within sixty days - (outs  
the first payment, both the conversion feature of deb  
purchase warrants were cancelled. The note is currentl  
accrued interest expense of \$11,811 (2006 - \$10,693; 20

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**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**6. SHARE CAPITAL AND CONTRIBUTED SURPLUS**

	Number of Shares
Balance, December 31, 2004	38,400,000
Private placement	3,145,000
Exercise of options	20,000
Shares issued for services	300,000
Share issue costs	-
Balance, December 31, 2005	41,865,000
Shares issued for mineral property	50,000
Private placement	1,075,000
Share issue costs	-
Balance, December 31, 2006	42,990,000
Shares issued for obligation	666,666
Shares issued for mineral property	210,000
Private placement	7,525,000
Share issue costs	-
Stock-based compensation	-
Balance, December 31, 2007	51,391,666

**Share issuances**

- a) During fiscal 2006, the Company entered into a consulting agreement with an investor relations services whereby the Company was required to issue 1,250,000 shares. As of December 31, 2006, the Company recorded a share issuance obligation of \$73,333 pursuant to the agreement. In 2007, the Company issued 666,666 shares to settle the obligation. The consultant subsequently agreed to amend the terms of the agreement and the Company was released from the remaining share issuance obligation for a cash payment of \$87,500 that has been recorded as of December 31, 2007.
- b) On April 16, 2007 the Company issued 210,000 shares for a total of \$23,850 pursuant to a mineral option agreement of \$9,600 that relates to a mineral property payable recorded as of December 31, 2007.
- c) On May 29, 2007 the Company completed a private placement of 3,145,000 units at \$0.10 per unit for proceeds of \$327,500. Each unit consists of one share and one share purchase warrant with each warrant exercisable for one common share at \$0.15 per share for a term of two years.



share issuance costs of \$19,425 in connection with

- d) On August 23, 2007 the Company completed 4,250,000 units at \$0.10 per unit for gross proceeds of one common share and one share purchase warrant to acquire one common share at \$0.15 per share. Company incurred share issuance costs of \$15,000 placement.
-

**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**6. SHARE CAPITAL AND CONTRIBUTED SURPLUS**

- e) On July 27, 2006, the Company completed the first offering and issued 1,075,000 units at \$0.20 per unit for proceeds of \$215,000 and incurred costs of \$21,500. Each unit consisted of one common share and one Series A warrant and one whole Series B warrant. The Series A warrant is exercisable to acquire one common share at \$0.35 per share from the issuance date. Each whole Series B warrant is exercisable to acquire one common share at \$1.35 per share for a term of 24 months. During the 2007 fiscal year, the expiry date of these warrants was extended from July 27, 2007 to January 27, 2008. These warrants have a total value of \$1,075,000.
  - f) On March 15, 2006, the Company issued 50,000 common shares pursuant to a mineral property option agreement.
  - g) On August 15, 2005, the Company issued 300,000 common shares for a total of \$108,000 as consideration for investor relations and consulting services.
  - h) On March 31, 2005, the Company issued 20,000 common shares for total cash proceeds of \$12,000 pursuant to the exercise of warrants.
  - i) On March 10, 2005, the Company issued 3,145,000 common shares for cash proceeds of \$943,500 pursuant to a private placement offering of one common share and one share purchase warrant for one additional share at \$0.40 during the first year and \$0.40 during the second year. The Company paid commissions of \$188,700 on the offering which were deducted from the proceeds.
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**LINCOLN GOLD CORPORATION**  
 (An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
 (Expressed in United States dollars)

**7. STOCK OPTIONS (continued )**

The change in stock options outstanding is as follows:

	2007		2006	
	Number Of Options	Weighted Average Exercise Price	Number Of Options	Weighted Average Exercise Price
At January 1	2,390,000	\$ 0.60	2,390,000	\$ 0.60
Granted	2,450,000	0.25	-	-
Exercised	-	-	-	-
Expired or forfeited	(2,390,000)	(0.60)	-	-
At December 31	2,450,000	\$ 0.25	2,390,000	\$ 0.60

As at December 31, 2007 the following options are outstanding:

Number Of Options	Exercise Price	Expiry Date
2,450,000	\$ 0.25	September 2010

**Stock-based compensation**

During 2007, the Company granted 2,450,000 fully vested stock options to employees, directors and 450,000 to contractors, with a fair value of \$0.10 per option recorded as contributed surplus and stock-based compensation in the consolidated financial statements. The value of the stock options was estimated using the Black-Scholes model, assuming a dividend yield of 0%, expected volatility of 97% and weighted average expected life of 3 years. The weighted average fair value of the stock options was \$0.10 per option.

**LINCOLN GOLD CORPORATION**  
 (An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
 (Expressed in United States dollars)

**8. WARRANTS**

As at December 31, 2007 the following warrants are out

Number Of Warrants	Exercise Price	Expiry D
537,500*	\$ 0.35	January 2
1,075,000	\$ 1.35	July 27, 2
3,275,000	\$ 0.15	May 28, 2
4,250,000	\$ 0.15	August 2
9,137,500		

\* During the 2007 fiscal year, the expiry date of these war  
 2007 to January 27, 2008. These warrants have since expired

Share purchase warrant transactions are summarized as follow

	Number Of Shares	Wei Ave Exe
Balance, December 31, 2004	7,300,000	\$
Issued	3,145,000	
Cancelled	(5,000,000)	
Balance, December 31, 2005	5,445,000	
Issued	1,612,500	
Expired	(2,300,000)	
Balance, December 31, 2006	4,757,500	
Issued	7,525,000	
Expired	(3,145,000)	
Balance, December 31, 2007	9,137,500	\$

**LINCOLN GOLD CORPORATION**  
 (An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
 (Expressed in United States dollars)

**9. RELATED PARTY TRANSACTIONS**

During the year ended December 31, 2007, the Company incurred consulting fees of \$13,800 (2006 - \$42,250; 2005 - \$42,250) and management fees of \$2,700 (2006 - \$3,300; 2005 - \$3,000) to the Vice President of the Company. The Company also paid \$22,500 (2006 - \$20,545; 2005 - \$22,500) consulting fees to a former director of the Company.

As at December 31, 2007, the Company owed \$1,155 (2006 - \$1,155) to directors and officers of the Company which is included in accounts payable.

These transactions are in the normal course of operations and do not represent an exchange amount, which is the amount of consideration exchanged between related parties.

**10. INCOME TAX**

A reconciliation of income tax recovery at statutory rates to the actual tax recovery is as follows:

	2007
Loss for the year	\$ (1,078,730)
Income tax recovery at statutory rates	\$ (371,000)
Amortization for tax purposes	(43,000)
Non-deductible items	178,000
Unrecognized benefit of non-capital losses	236,000
Total income tax recovery	\$

The significant components of the Company's future income tax assets are as follows:

	2007
Future income tax assets:	
Mineral property interests and deferred exploration costs	\$ 227,000
Non-capital losses carried forward	58,000
	285,000
Valuation allowance	(285,000)
Net future income tax assets	\$

The Company has Canadian non-capital losses of approximately \$285,000 carried forward and applied against taxable income in future periods.

will expire through to 2026. Subject to certain restrictions, the development and exploration expenditures totalling approximately \$10 million will reduce taxable income of future years. The future income tax benefits from these deductions and other tax assets have not been reflected in the carrying amount and have been offset by a valuation allowance.

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**LINCOLN GOLD CORPORATION**  
 (An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
 (Expressed in United States dollars)

**11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO**

Significant non-cash financing or investing transactions

	20
Shares issued for mineral property costs	\$ 14,2
Shares issued for services	
Services in exchange for share issuance obligation	
Shares used to settle share issuance obligation	73,3
Shares to settle accounts payable	9,6

There were no significant non-cash financing or investing transactions that occurred during the period ended December 31, 2007.

**12. FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, accrued liabilities and note payable. Unless otherwise noted, the Company is not exposed to significant interest rate risk from these financial instruments. The fair value of these instruments approximates their carrying value, unless otherwise noted.

**13. SEGMENTED INFORMATION**

The Company has one reportable operating segment, being the exploration and development of mineral properties. Geographical information is as follows:

	December 31, 2007	December 31, 2006
<b>Identifiable assets:</b>		
Mexico	\$ 21,816	\$ -
Canada	5,786	4,440
	\$ 27,602	\$ 4,440

**LINCOLN GOLD CORPORATION**  
(An Exploration Stage Company)  
**Notes to the Consolidated Financial Statements**  
(Expressed in United States dollars)

**14. SUBSEQUENT EVENTS**

- a) On March 3, 2008 the Company borrowed \$75,000 with the ability to increase this amount to \$175,000 if needed. In return, the Company agreed to pay lender interest at a rate of 8% per annum compounded weekly for the first two weeks and thereafter at the rate of 24% per annum compounded weekly to be paid following the repayment of principal. The Company also entered into a general security agreement ( GSA ) whereby the loan is secured by way of general charge over the Company's present and after acquired personal property. The Company agreed to repay the principal and interest upon completing a financing of more than \$500,000. The Company also agreed to deliver to the lender 37,500 common share purchase warrants entitling the holder to purchase common shares of the Company at \$0.20 per share for a period of two years. At any time, the lender can convert any portion of the outstanding principal and interest into common shares at the rate of \$0.20 per share.
- b) During February 2008, the CEO and director loaned the Company \$110,000 at a rate of 5% per annum with the condition of being able to convert to shares if so desired. Another director loaned the company \$25,000 at a rate of 5% per annum which will increase to 10% per annum after December 31, 2008. The director can, at any time, convert the loan to shares using the average price of the stock over the last 60 days trading days prior to conversion..
- c) On February 29, 2008 the Company entered into an option agreement with certain individuals whereby the Company has the option to purchase 10 claims located in the Pine Grove Mining District in Lyon County, Nevada by paying \$1,000,000 as follows:
- \$100,000 upon signing the agreement;
  - \$225,000 by January 1, 2009;
  - \$225,000 by January 1, 2010;
  - \$225,000 by January 1, 2011;
  - \$225,000 by January 1, 2012





**LINCOLN GOLD CORPORATION**

(An Exploration Stage Company)

**Notes to the Consolidated Financial Statements**

(Expressed in United States dollars)

**15. DIFFERENCES BETWEEN CANADIAN AND UNITED STATES  
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES  
(continued...)**

*Adoption of new accounting policies*

In June 2006, the FASB issued Interpretation No.48, "Statement of Financial Accounting Standards No. 109, Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109" ("FIN 48"). This interpretation clarifies the recognition and measurement of a tax position taken or expected to be taken on a tax return, and requires expanded disclosure with respect to tax positions in income taxes. FIN 48 also provides guidance on the classification, interest and penalties, accounting in interim periods, disclosures and transition. The Company adopted the provisions of FIN 48 on January 1, 2007 and the adoption of this policy did not result in an adjustment to the Company's financial statements.

*Recent accounting pronouncement*

In September 2006, FASB issued SFAS No. 157, "Fair Value Measurements." Among other requirements, SFAS 157 requires fair value and establishes a framework for measuring fair value and expands disclosure about the use of fair value to measure assets and liabilities. SFAS 157 is effective for fiscal years beginning on or after November 15, 2007.

In February 2007, the FASB issued SFAS No. 159, "Fair Value Option for Financial Assets and Financial Liabilities," which is an amendment of FASB Statement No. 115. This pronouncement allows entities to choose to measure eligible financial instruments at fair value as of specified dates. Such election, which may be made on an instrument by instrument basis, is typically irrevocable. SFAS 159 is effective for fiscal years beginning November 15, 2007 and early application is allowed under certain circumstances.

In December 2007, the FASB issued SFAS No. 141R, "Business Combinations" which changes how business combinations are accounted for. SFAS 141R requires the acquiring entity in a business combination to recognize all (and only) the assets acquired and liabilities assumed at the transaction and establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed in a business combination. Certain provisions of this standard, among other things, impact the determination of acquisition-date fair value consideration paid in a business combination (including the determination of the fair value of the consideration transferred).

considerations); exclude transaction costs from acquisition and change accounting practices for acquired and acquisition-related restructuring costs, in-process development, indemnification assets and tax benefits. is effective for business combinations and adjustment entity's deferred tax asset and liability balances December 31, 2008.

In December 2007, the FASB issued SFAS No. 160, "Statement of Financial Accounting Standards No. 160, 'Interests in Consolidated Financial Statement, an amendment of Statement of Financial Accounting Standards No. 51,'" which establishes new standards governing the presentation and reporting of noncontrolling interests (NCI) in parent's consolidated subsidiaries and the loss of control of subsidiaries. The provisions of this standard indicate, among other things, that noncontrolling interests (previously referred to as minority interests) be treated as a component of equity, not as a liability; that increases a parent's ownership interest that leave control intact are treated as equity transactions, rather than as step acquisitions or losses; and that losses of a partially owned consolidated subsidiary be allocated to the NCI even when such allocation might result in a negative balance. This standard also requires changes to certain disclosure requirements. SFAS No. 160 is effective beginning January 1, 2009. The provisions of the standard are to be applied prospectively, except for the presentation and disclosure requirements which are to be applied retrospectively to all periods presented.

The adoption of these new pronouncements is not expected to have a material effect on the Company's financial position or operations.

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**ITEM 18 FINANCIAL STATEMENTS**

We have elected to provide financial statements pursuant to I

- 87 -

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**ITEM 19 EXHIBITS**

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
1.01	Articles of Conversion (4)
1.02	Articles of Continuance of Lincoln Gold Corporation (4)
1.03	Bylaws of Lincoln Gold Corporation, a Canadian
2.01	Shareholder Rights Plan (5)
<u>4.01</u>	<u>2005 Stock Option Plan, as amended (6)</u>
4.02	Option Agreement between the Corporation and (1)
4.03	Form of Regulation S Subscription Agreement for
<u>4.04</u>	<u>Lease agreement dated July 13, 2007 between Wheeler Mining Company (6)</u>
<u>4.05</u>	<u>Lease agreement dated August 1, 2007 between Lyon Grove, PLC (6)</u>
4.06	Form of Regulation D Subscription Agreement for
4.07	Form of Regulation S Subscription Agreement for
<u>11.01</u>	<u>Code of Ethics (6)</u>
<u>12.01</u>	<u>Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>12.02</u>	<u>Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>13.01</u>	<u>Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
<u>13.02</u>	<u>Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>

- (1) Previously filed as an exhibit to our Current Report on Form 20-F.
- (2) Previously filed as an exhibit to our Current Report on Form 20-F.
- (3) Previously filed as an exhibit to our Current Report on Form 20-F, dated July 13, 2007.
- (4) Previously filed as an exhibit to our Current report on Form 20-F.
- (5) Previously filed as an exhibit to our Current report on Form 20-F.
- (6) Filed as an Exhibit to this Annual Report on Form 20-F.

**SIGNATURES**

The Registrant hereby certifies that it meets all of the requirements that it has duly caused and authorized the undersigned to sign

**LINCOLN GOLD CORP.**

Per: */s/ Paul Saxton*

Name: Paul Saxton

Title: President and Chief Executive Officer

Date: July 14, 2008

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