

Compensation Committee Mandate

Purpose- The overall purpose of the Compensation Committee is to develop executive compensation plans that:

- attract and retain skilled and experienced executives and senior managers;
- motivate executives and senior managers to achieve corporate objectives and create shareholder value; and
- encourage executives and senior managers to link their personal financial interest to those of the shareholders.

The compensation of executives and senior management shall be based on competitive rates in the marketplace, taking account of location and conditions of employment. Compensation for executives and senior managers shall consist of a combination of a base salary, cash based annual incentive, a long-term incentive and employee benefits.

Composition, Procedures and Organization

1. The Compensation Committee shall consist of at least three members of the Board, all of whom shall be “independent” as that term is defined in National Instrument 52-110- *Audit Committees*. **[NP 58-201 states the Compensation Committee should be composed of entirely independent directors.]** In particular, a Compensation Committee member shall not:
 - a. other than in his or her capacity as a member of the Board or any committees of the Board, accept directly or indirectly any consulting, advisory or other fee from the Company;
 - b. have been employed by the Company or any of its affiliates in the current or past two years; or
 - c. be an affiliate of the Company or any subsidiaries.
2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Compensation Committee for the ensuing year. The Board may at any time remove or replace any member of the Compensation Committee and may fill any vacancy in the Compensation Committee.
3. Unless the Board shall have appointed a Chair of the Compensation Committee, the members of the Compensation Committee shall elect a Chairman from among their number.
4. The secretary of the Compensation Committee shall be designated from time to time from one of the members of the Compensation Committee or, failing that, shall be the Company’s corporate secretary, unless otherwise determined by the Compensation Committee.
5. The Compensation Committee shall have access to such officers and employees of the Company, its external auditors and legal counsel and to such information respecting the Company and may engage separate independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Meetings

1. At the request of the CEO or any member of the Compensation Committee, the Chairman of the Compensation Committee will convene a meeting of the Compensation Committee and provide an agenda for such meeting.
2. Any two directors may request the Chairman of the Compensation Committee to call a meeting of the Compensation Committee and may attend at such meeting or inform the Committee of a specific matter of concern to such directors, and may participate in such meeting to the extent permitted by the Chairman of the Compensation Committee.
3. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.
4. The Compensation Committee shall meet at least once in each year on such dates and at such locations as the Chairman of the Compensation Committee shall determine and may also meet at any other time or times on the call of the chair of the Committee or any two of the other members.

Chair

In addition to the duties and responsibilities set out in the Board Mandate and any other applicable charter, mandate or position description, the chair of the Compensation Committee (the “Compensation Committee Chair”) has the duties and responsibilities described below.

1. Provide overall leadership to enhance the effectiveness of the Corporate Governance & Nominating Committee, including:
 - a. overseeing the structure, composition, membership and activities delegated to the Corporate Governance & Nominating Committee;
 - b. chairing every meeting of the Corporate Governance & Nominating Committee and encouraging free and open discussion at meetings of the Corporate Governance & Nominating Committee;
 - c. scheduling and setting the agenda for Corporate Governance & Nominating Committee meetings with input from other Corporate Governance & Nominating Committee members, the Chairman of the Board and management as appropriate;
 - d. facilitating the timely, accurate and proper flow of information to and from the Corporate Governance & Nominating Committee;
 - e. arranging for management, internal personnel, external advisors and others to attend and present at Corporate Governance & Nominating Committee meetings as appropriate;
 - f. arranging sufficient time during Corporate Governance & Nominating Committee meetings to fully discuss agenda items;
 - g. encouraging Corporate Governance & Nominating Committee members to ask questions and express viewpoints during meetings; and

- h. taking all other reasonable steps to ensure that the responsibilities and duties of the Corporate Governance & Nominating Committee, as outlined in its Charter, are well understood by the Corporate Governance & Nominating Committee members and executed as effectively as possible.
2. Foster ethical and responsible decision making by the Corporate Governance & Nominating Committee and its individual members.
3. Encourage the Corporate Governance & Nominating Committee to meet in separate, regularly scheduled, non-management, closed sessions with internal personnel or external advisors, as needed or appropriate.
4. Following each meeting of the Corporate Governance & Nominating Committee, report to the Board on the activities, findings and any recommendations of the Corporate Governance & Nominating Committee.
5. Carry out such other duties as may reasonably be requested by the Board.

Duties and Responsibilities

The duties and responsibilities of the Compensation Committee shall be as follows:

1. Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of these goals, and recommend the CEO's package to the Board.
2. Make recommendations to the Board on all elements of executive officers' compensation.
3. Review all compensation information before the Company discloses it publicly.
4. Approve any compensation arrangement for a senior executive of any subsidiary.
5. Review succession planning for senior positions, and make recommendations to the Board.
6. Review appropriate compensation of the independent directors and to provide recommendations of such review for the approval by the Corporate Governance Committee and the CEO.