

**MANDATE OF THE COMPENSATION COMMITTEE**

1. The compensation committee (the “Committee”) is a standing committee appointed by the board of directors (the “Board”) of the Corporation. The Committee assists the Board in discharging the Board’s oversight responsibility relating to the compensation and retention of certain senior executives of the Corporation, including the Chief Executive Officer (“CEO”) of the Corporation. The Committee also assists the Board with establishing the Corporation’s compensation framework. Within this framework, the role, responsibility and powers of the Committee include but are not limited to:
  - (a) reviewing and recommending to the Board for approval the share incentive plans of the Corporation, monitoring the use of equity-based compensation plans, including dilution, burn rate and limits and reviewing the Corporation’s compensation programs to monitor that they do not encourage inappropriate or excessive risk-taking and include appropriate risk-mitigating strategies;
  - (b) evaluating the CEO’s performance and making recommendations to the Board with respect to the CEO’s compensation level based on this evaluation and overseeing that executive compensation is aligned with the Corporation’s performance, strategy and the creation of long-term shareholder value;
  - (c) making recommendations to the Board with respect to the compensation of certain other officers and senior executives of the Corporation, taking into consideration the recommendations of, and assessments by the CEO;
  - (d) reviewing and recommending to the Board for approval the compensation of the directors of the Corporation and ensuring that the compensation reflects the responsibilities and risks involved in being an effective director of the Corporation (including the Chairman of the Board, the lead director, if any, and those acting as committee chairs);
  - (e) engaging such outside advisors as the Committee determines necessary to permit it to carry out its duties, at the Corporation’s expense, including sole authority to retain and terminate any executive consulting firm and to approve such advisors’ fees and retention terms including monitoring that such advisors are independent of management;
  - (f) reviewing and approving executive compensation disclosure for inclusion in the Corporation’s management information circular as well as reviewing and monitoring compliance with share ownership guidelines applicable to directors and officers of the Corporation; and
  - (g) reporting to the Board on matters considered by the Committee, its activities and compliance with this Mandate.
2. At all times the membership of the Committee shall be such that:

- (a) the Committee shall be comprised of no fewer than three members;
- (b) a majority of the members of the Committee shall be resident Canadians; and
- (c) all of the members of the Committee shall be “independent”, as defined by National Instrument 58-101 Disclosure of Corporate Governance Practices.

### ***Meetings and Procedure***

- 3. No business shall be transacted by the Committee except:
  - (a) at a meeting of the members thereof; or
  - (b) by a resolution in writing signed by all of the members of the Committee.
- 4. The Committee shall meet at as frequently as circumstances require. Such meetings may be held by telephone or by any other means which enables all participants to communicate with each other simultaneously.
- 5. The Committee may fix its own procedure at meetings and for the calling of meetings except as may be otherwise provided by the Board.
- 6. A quorum for the transaction of business at a Committee meeting shall be a majority of the Committee members. All decisions and recommendations made by the Committee shall be made by a majority vote of the members present at the meeting.
- 7. The Committee shall have the authority to delegate any of its responsibilities to individual members and subcommittees of the Committee as the Committee may deem appropriate in its sole discretion.
- 8. Notice of meetings shall be given by letter, facsimile, email or telephone not less than 24 hours before the time fixed for the meeting, however the members may waive notice of any Committee meeting.
- 9. The minutes of the Committee meetings shall accurately record the significant discussions of, and decisions made by, the Committee, including all recommendations to be made by the Committee to the Board and shall be distributed to Committee members.
- 10. The Committee may invite from time to time, such person as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.
- 11. The Committee shall hold *in camera* meetings of the Committee before and/or after its regularly scheduled meetings or in addition to its regularly scheduled meetings.
- 12. The members of the Committee shall be appointed by the Board to hold office from the time of their appointment until their successors are appointed. Unless a chair of the Committee is appointed by the Board, the members of the Committee may designate a Chair by majority vote of all Committee members. The Board may, at any time remove a member of the Committee at its discretion and may accept the resignation of a member of the Committee. Vacancies

occurring at any time on the Committee shall be filled by the Board.

***Other Matters***

13. The Committee may review and recommend to the Board for approval any employment contracts or arrangements with the Chief Executive Officer and other senior executives of the Corporation designated by the Board, including any retiring allowance arrangements, severance payments or any similar arrangements to take effect in the event of a termination of employment and any change of control agreements.
14. The Committee may undertake on behalf of the Board such other compensation initiatives as may be necessary or desirable to contribute to the success of the Corporation and enhance shareholder value.
15. The Committee may meet separately and periodically with management of the Corporation.
16. The Committee shall review and assess its mandate at least annually and obtain the approval of the Board for any proposed changes to its mandate.
17. The Committee shall assess the performance of the Committee, and each of its members on an annual basis in accordance with the performance assessment guidelines established by the Board.