

# **Fortune Minerals Limited**

## **Compensation Committee Charter**

### **1. Purpose and Mandate**

The purpose and mandate of the Committee are to:

- (a) evaluate the performance of the Corporation's Chief Executive Officer ("CEO") and (in consultation with the CEO) the other executive officers of the Corporation in light of the Corporation's corporate goals and objectives relevant to their respective scopes of authority and, subject to any existing contractual obligations, determine (or make recommendations to the Board with respect to) the compensation of the CEO and other executive officers based on such evaluation;
- (b) make recommendations to the Board with respect to extraordinary bonuses for executive officers, director compensation, incentive compensation plans and equity-based plans;
- (c) review disclosure with respect to executive compensation in any management information circular or other document before it is publicly disclosed by the Corporation and ensure that the Corporation is in compliance with all legal compensation reporting requirements;
- (d) establish and maintain a succession plan for the Corporation's executive officers and key employees as well as oversee the Corporation's overall executive succession planning strategy;
- (e) make recommendations to the Board with respect to the compensation policy for employees of the Corporation or any of its subsidiaries;
- (f) review and make recommendations to the Board with respect to contingency plans in the event of the unexpected disability of executive officers or other key employees; and
- (g) perform any other activities consistent with this Charter and applicable laws as the Committee or the Board deems necessary or appropriate from time to time.

In carrying out its duties the Committee shall have the authority to delegate any of its responsibilities to subcommittees or individual members as the Committee deems appropriate.

2. **Composition and Qualification**

- (a) The Committee shall consist of a minimum of three directors.
- (b) All members of the Committee shall be independent directors (as defined in National Instrument 58-101 of the Canadian Securities Administrators, as amended or superseded from time to time).
- (c) The members of the Committee will be appointed and may be removed from time to time by the Board.

3. **Meetings**

The Committee will meet at least annually, or more frequently as circumstances may warrant. The Committee may meet with, and receive reports from, management.

A quorum for the transaction of business at all meetings of the Committee shall be a majority of members.

4. **Position Description and Responsibilities for Chairman**

The Chairman of the Committee may be appointed by the Board or by the members of the Committee from time to time.

The Chairman shall:

- (a) manage the Committee and relationships among the members of the Committee and between the Committee and the Board in a manner that furthers the best interests of the Corporation;
- (b) ensure that the Board is aware of any concerns of the Committee;
- (c) communicate with the Board to keep it current on all major developments involving executive compensation as it relates to the Corporation;
- (d) set the frequency of the Committee meetings and review such frequency as appropriate; and
- (e) chair and manage meetings of the Committee.

5. **Authority**

The Committee shall have the authority:

- (a) to engage independent counsel and other advisors including, without limitation, executive compensation consulting firms, that it considers necessary to carry out its duties;

- (b) to set and pay the compensation for any advisors employed by the Committee for the purpose of carrying out its duties; and
- (c) to set and pay the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6. **Reporting**

- (a) A summary of all meetings of the Committee is to be provided to the Board. Oral reports by the Chairman on matters not yet minuted are to be provided to the Board at its next meeting.
- (b) Minutes of each meeting of the Committee will be prepared by the person designated by the Committee to act as secretary and will be provided to the Secretary of the Corporation for retention.