

## **COMPENSATION COMMITTEE MANDATE**

### **Overview**

The compensation committee of the Corporation (the “Compensation Committee”) is responsible for annually reviewing the Corporation’s compensation arrangements with Named Executive Officers (as defined below), with resultant recommendations being made to the Board of Directors as a whole. The Compensation Committee is currently composed of members of the Board of Directors that are independent of management of the Corporation. When reviewing the compensation of the Named Executive Officers, the Compensation Committee considers the objectives of: (i) recruiting and retaining the executives critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Corporation; (iv) motivating executives to deliver strong business performance, both on an individual basis and with respect to the business in general; and (v) ensuring the executive compensation program is simple to communicate and administer. The Compensation Committee has the responsibility of negotiating the Named Executive Officers’ total compensation package, reviewing and advising on stock option guidelines, including the authority under the Corporation’s 2009 Omnibus Share Compensation Plan to grant options, and to review and recommend to the Board the compensation policies and principles that will be applied to other executives and employees of the Corporation.

The Compensation Committee receives and reviews any recommendations made by the President and Chief Executive Officer of the Corporation relating to the general compensation structure and policies and programs for the Corporation and the salary and benefit levels for the other named Executive Officers.

### **Objectives**

It is the objective of the Corporation’s compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. It is the goal of the Compensation Committee to endeavour to ensure that the compensation of the Named Executive Officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Compensation Committee gives consideration to the Corporation’s contractual obligations, performance, the Corporation’s budget and financial strength, as well as qualitative aspects of the individual’s performance and achievements.

### **Elements of the Compensation Program**

The Corporation’s compensation program is comprised of (i) base salary or management fee arrangement and benefits; (ii) long-term incentives in the form of share compensation awards. Each component of the executive compensation program is addressed below.

#### *Base Salaries or Management Fee Arrangement and Benefits*

Salaries for the Named Executive Officers are reviewed annually based on corporate and personal performance, individual levels of responsibility and the Corporation’s budget and financial strength. Salaries of the Named Executive Officers are not determined based on a specific formula. The Compensation Committee submits its recommendation to the full Board as to salary of each of the Named Executive Officers. In making its recommendations, the Compensation Committee considers recommendations by the President and CEO for the other Named Executive Officers of the Corporation. As stated above, base salaries and management fee arrangements are set with the object of attracting and retaining highly qualified executives.

Other components of compensation may include personal benefits as determined by the Compensation Committee that are consistent with the overall compensation strategy. There is no formula for how personal benefits are utilized in the total compensation package. The Corporation does not provide any pension or retirement benefits to the Named Executive Officers.

*Long Term Incentives and Stock Option Plan*

The Compensation Committee also administers the Corporation's 2009 Omnibus Share Compensation Plan, which is designed to provide long-term incentives that are linked to shareholder value. The Corporation currently grants only stock option awards under the Corporation's 2009 Omnibus Share Compensation Plan. The Compensation Committee determines a recommended number of options to be granted to each Named Executive Officer based on the level of responsibility and experience required for the position and with the objective of attracting and retaining qualified and talented employees. The Compensation Committee also takes account of the Corporation's contractual obligations, the Corporation's budget and financial strength, and the award history for all participants in the stock option plan.