

COMPENSATION COMMITTEE MANDATE

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, 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 a base salary 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.