

CHARTER OF THE COMPENSATION AND HUMAN RESOURCES COMMITTEE

The Compensation and Human Resources Committee (the “Committee”) of the board of directors (the “Board”) of St Andrew Goldfields Ltd. (the “Company”) will act on behalf of and subject to the direction of the Board of the Company in all matters pertaining to the compensation, benefits and performance of all senior executives and consultants of the Company and any other business entity controlled in fact by the Company (each an “affiliate”) (including the President and CEO, Vice-Presidents and any group of senior employees or consultants identified by the Committee from time to time), this group being referred to as the “Senior Management Group”. The Committee will make recommendations with respect to the remuneration of the Board and the board of directors of any affiliate (and the Board will review the compensation of management, which review may be delegated to the President and CEO). In addition, the Committee will oversee and supervise any share purchase plan, share option plan, bonus participation plan and any other like plan.

Composition

The Board will appoint no fewer than three Directors to the Committee, each of whom shall be independent¹.

Chair

The Board, upon recommendation of the Committee, will appoint the Chair of the Committee annually, to be selected from the members of the Committee. If, in any year, the Board does not make an appointment of a Chair, the incumbent Chair will continue in office until that Chair’s successor is appointed.

Removal and Vacancies

Any member of the Committee may be removed and replaced at any time by the Board and will automatically cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies in the Committee by election from among the members of the Board. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

Tenure

Subject to the paragraph above, each member of the Committee will hold office until the next annual meeting of shareholders of the Company after his or her election.

¹ For the definition of **independent**, please see the Glossary of Terms.

Notice of Meetings

- (a) The Chair of the Committee may call meetings of the Committee periodically and will do so at the request of any two Committee members.
- (b) The Committee will have the right to require the attendance of any member of management of the Company at meetings of the Committee.
- (c) The Committee will have the right to invite any person to attend meetings of the Committee.
- (d) Notice of the time and place of each meeting of the Committee will be given to each member by telephone, electronic mail or facsimile transmission not less than 48 hours before the time of the meeting or by written notice not less than four days before the day of the meeting, and, subject to the requirements of applicable law, need not specify the purpose of or the business to be transacted at the meeting. Meetings of the Committee may be held at any time without notice if all the members have waived or are deemed to have waived notice of the meeting.

Times and Places of Meetings

The Committee will meet as many times as is necessary to carry out its responsibilities. The meetings shall be at times and places to be determined by the Committee.

Quorum

A quorum at any meeting will be a simple majority provided that if the number of Committee members is an even number, one half of the number plus one shall constitute a quorum.

Minutes of Meetings

The Committee will keep regular minutes of its proceedings and will report to the Board at each Board meeting. Minutes will be circulated to all Directors on a timely basis.

Transaction of Business

The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all Committee members entitled to vote on that resolution at a meeting of the Committee.

Remuneration

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

Authority to Engage Outside Advisors

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it.

Duties and Responsibilities of the Committee

The Committee will (in all cases in respect of the Company and its affiliates, and with the assistance of consultants as required):

- Develop or approve performance indicators and corporate objectives which the President and CEO is responsible for meeting in the upcoming year in order to provide a monitoring benchmark, and assess the performance of the President and CEO annually as against that benchmark.
- Determine or recommend to the Board the compensation of the President and CEO based on the immediately preceding item.
- Make recommendations to the Board regarding the compensation, incentive-compensation plans and equity-based plans of all other executive officers and directors.
- Review executive compensation disclosure before it is disclosed by the Company.
- Review the recruitment, appointment and termination of the Senior Management Group.
- Monitor and assess the performance of the Senior Management Group, and ensure that the results are discussed by the Board.
- Review the annual salary of the President and CEO, and either delegate to the President and CEO or review as a Committee, bonus, pension, severance and termination arrangements, and other benefits, direct and indirect, of the Senior Management Group.
- Review the Senior Management Group's employment agreements.
- Review retention programs for the Company's Senior Management Group.
- Review the adequacy and form of compensation of the Board and members of Board Committees in light of the responsibilities and risks involved in being a Director and/or a Chair.
- Review annual compensation and expense policy and benefit programs.

- Review pay equity and employment equity policies.
- Review recommendations concerning the operation of any employee share purchase plan, including recommendations as to entitlement, terms, price and all other matters related to that plan.
- Review recommendations concerning the operation of any share option plan or similar incentive plan, including recommendations as to entitlement, vesting, price, incentive targets and all other matters relating to that plan.
- Subject to any express restriction or policy established by the Board, and subject to confirmation by the Board, recommend to the Board or grant options pursuant to any share option plan.
- Review recommendations concerning the operation of any Directors' and officers' compensation plan, including recommendations as to entitlement, price and all other matters related to that plan.
- Review recommendations concerning the operation of any profit or bonus participation plan, including recommendations as to entitlement, terms, price and all other matters related to that plan.
- Review its own performance annually and provide a report thereon to the Board.
- Review the adequacy of, and reassess, this Charter on a regular basis and submit any proposed revisions to the Board for consideration and approval.

Access to Records

The Committee will be permitted access to all records and corporate information that it determines to be required in order to perform its duties.

THE CHAIR OF THE COMPENSATION AND HUMAN RESOURCES COMMITTEE

Position Description of the Chair

The Chair of the Committee, who shall be an independent director, shall be appointed by the Board annually. Specific duties of the Chair include:

- Approving the agendas for, scheduling, and chairing meetings of the Committee.
- Managing the affairs of the Committee.
- Monitoring whether the Committee is working effectively.

- Providing a link between the Committee and the Board.
- Monitoring whether the Committee is receiving timely information of appropriate quality before, during and after Committee meetings.
- Taking the lead role in ensuring that the compensation disclosure required by applicable laws is properly made.
- Ensuring that the Committee meets and complies with its responsibilities as set out in the Charter of the Committee.
- Ensuring that the Charter of the Committee is regularly reviewed and assessed.

Assessment of the Chair

A performance evaluation of the Chair of the Committee will be carried out on an annual basis. The evaluation of the performance of the Chair will be initiated by the Chair of the Board in one-on-one discussions with each member of the Board. The Chair of the Board shall use, as a basis of such evaluation, the description of the role of the Chair set forth in this document, as well as such other evaluation criteria as the Chair of the Board or the directors interviewed may deem appropriate or useful. The Chair of the Board shall discuss the results and findings of the evaluation with the Chair personally. Following such discussion, the Chair of the Board shall release the results of the evaluation in the form of a report to the other directors.