



## UNIGOLD INC.

### MANDATE OF THE COMPENSATION COMMITTEE

*This mandate was approved by the Board of Directors of Unigold Inc. on August 22, 2012 and replaces all previous mandates, charters, terms of reference or other similar documents prescribing the procedures, powers and duties of the Compensation Committee.*

#### 1. PURPOSE AND OBJECTIVES

The Compensation Committee (the “**Committee**”) is established by the board of directors (the “**Board**”) of Unigold Inc. (the “**Corporation**”) to assist the Board in fulfilling its responsibilities relating to the compensation of Corporation personnel. The primary objective of the Committee is to ensure that the Corporation’s compensation policies, practices and plans support the successful recruitment, development, and retention of talent in order to achieve the Corporation’s business objectives. Among other things, the Committee shall establish and administer the Corporation’s policies, practices and plans for compensating and incentivizing its executive officers and directors.

#### 2. AUTHORITY

- (a) The Committee has the authority: (i) to retain independent legal counsel and other advisors as it determines necessary to carry out its duties; and (ii) to set and pay the compensation for any advisors employed by the Committee.
- (b) The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultants and to any other advisors employed by the Committee, provided however that such funding shall not exceed \$25,000 annually without the prior approval of the Board.
- (c) The Committee may delegate any or all of its functions to any of its Members or any subcommittee thereof.
- (d) The Committee shall review and recommend to the Board changes to this Mandate, as considered appropriate from time to time.

#### 3. MEMBERSHIP AND ORGANIZATION

- (a) The Committee shall be comprised of no fewer than three directors (“**Members**”, and each a “**Member**”) as appointed by the Board, upon recommendation of the Corporate Governance and Nominating Committee.
- (b) A majority of the Members shall satisfy the independence requirements for directors under applicable securities laws, rules, regulations and stock exchange requirements.

- (c) The Committee shall appoint its own chair (the “**Chair**”). In the event of an equality of votes, the Chair shall not have a second casting vote.
- (d) Each Member shall be a member of the Board.
- (e) Each Member shall serve at the pleasure of the Board for such term as the Board may decide or until such Member is no longer a director of the Corporation. The Chair may be removed by the Committee at any time. The Board may fill vacancies on the Committee. If and whenever a vacancy shall exist on the Committee, the remaining Members may exercise all of the powers of the Committee, so long as a quorum remains.

#### **4. MEETINGS AND PROCEDURES**

- (a) The Committee shall meet in person or by means of telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during such meeting as often as it determines necessary to fulfill its duties, but in no event less than once per year.
- (b) The Chair shall be responsible for calling the meetings of the Committee, establishing the meeting agenda with input from management and supervising the conduct of the meetings.
- (c) A majority of the Members shall constitute a quorum for conducting business at a meeting of the Committee.
- (d) The Committee may request any officer or other employee of the Corporation, or any representative of the Corporation’s legal counsel or other advisors, to attend a meeting or to meet with any Members or representatives of the Committee.
- (e) The Committee shall record minutes of its meetings and submit those to the whole Board on a timely basis.

#### **5. DUTIES AND RESPONSIBILITIES**

The Committee shall be responsible for matters related officer and director compensation, including all other equity-based incentive compensation plans. To fulfill its responsibilities, the Committee shall:

##### *Reporting*

- (a) Prepare, review and approve any report relating to compensation required pursuant to applicable securities law, rules, regulations and stock exchange requirements and report regularly on its activities to the Board.
- (b) Review in advance all proposed executive compensation public disclosure.

##### *Establishment of executive compensation policies and programs*

- (c) Review all compensation arrangements for the Chairman of the Board and officers of the Corporation, including salaries, bonus, cash-incentive and equity-based incentive compensation, and make recommendations to the Board for its determination and approval.

- (d) Without limiting the foregoing, the Committee shall review and approve all proposed employment and retention agreements with any officer who would be deemed an executive officer of the Corporation, as well as severance agreements that provide benefits in excess of those set forth in any severance and termination plans previously approved by the Committee or the Board.
- (e) Review and approve, at least annually, corporate goals and objectives relevant to the compensation of the officers.
- (f) Evaluate the performance of the executive officers in the light of those corporate goals and objectives and set compensation levels based on those evaluations and any other factors it deems appropriate.

*Ratification of Incentive Compensation Plans by the Board*

- (g) Review and recommend for approval by the Board any of the following:
  - (i) cash incentive compensation and equity based incentive plans of the Corporation; and
  - (ii) any other equity-based plans of the Corporation that require the approval of shareholders.

*Performance Reviews*

- (h) Conduct performance reviews, including an annual performance evaluation of the Chairman of the Board and the President and CEO, which the Chair shall deliver to the Chairman of the Board and the President and CEO.

*Review and Approval of Director Compensation*

- (i) Review director compensation levels and practices, and recommend as appropriate, from time to time, changes in such compensation levels and practices to the Board.

*Other duties and responsibilities*

- (j) Perform any other duties or responsibilities delegated to the Committee by the Board from time to time, including as may be required by applicable securities laws, rules, regulations, stock exchange requirements or other legislation.
- (k) The Committee shall review and assess the adequacy of this Charter annually and shall submit any proposed changes to the Board for approval.
- (l) The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its Members, including reviewing the compliance of the Committee with this Mandate.
- (m) The Committee may delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate.

**Limitation on the Oversight Role of the Committee**

Nothing in this Mandate is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board of Directors are subject.

Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and the accuracy of the information provided to the Corporation by such persons or organizations.

**6. PUBLIC DISCLOSURE OF MANDATE**

This Mandate shall be made available on the Corporation's web-site at [www.unigoldinc.com](http://www.unigoldinc.com) and to any shareholder who otherwise requests a copy.