



**OREMEX RESOURCES INC.**

**CHARTER OF THE COMPENSATION AND NOMINATING COMMITTEE**

# CHARTER OF THE COMPENSATION AND NOMINATING COMMITTEE

## GENERAL

The Compensation and Nominating Committee has overall responsibility for recommending levels of executive compensation that are competitive and motivating in order to attract, hold and inspire senior officers (the "Management") and for identifying individuals qualified to become new board members and recommending to the Board the new director nominees for the next annual meeting of shareholders.

## RESPONSIBILITIES

The Compensation and Nominating Committee shall be governed by the Terms of Reference for Committees adopted by the Board. Subject to the powers and duties of the Board, the Board hereby delegates to the Compensation and Nominating Committee the following powers and duties to be performed by the Compensation and Nominating Committee on behalf of and for the Board.

The Compensation and Nominating Committee shall:

- a) review annually the adequacy and efficiency of the organizational structure;
- b) review annually the compensation for directors who serve on the Board or its committees, considering all relevant matters including the time commitment, compensation provided by comparable companies and level of responsibility;
- c) consider and make recommendations to the Board regarding corporate goals and objectives for the performance of Management; evaluate the performance and report to the Board;
- d) review Management's succession practices for Management;
- e) develop compensation guidelines for Management and review and recommend the specific compensation of Management, and report its broad conclusions to the Board for its consideration and approval;
- f) review and make recommendations respecting any incentive awards, perquisites, stock option plan, pension plan or employee benefit plans to be granted to Management and other remuneration matters and prepare or review guidelines with respect thereto;
- g) following the approval of and establishment by the Board of any stock option plan, the Compensation and Nominating Committee shall, in accordance with Board guidelines:
  - i. in conjunction with management, administer the stock option plan;
  - ii. review management's recommendations for and, subject to confirmation by the Board, recommend the granting of stock options to Management,

Directors and other employees and consultants of the Company and its subsidiaries; and

- iii. review the stock option plan and make recommendations to the Board with respect to any changes with all amendments to such plans to be subject to Board approval.
- h) prepare and approve the Compensation and Nominating Committee Report for publication in the annual information circular; and
- i) also have such other powers and duties as are delegated to it by the Board.

## **REPORTING**

The Compensation and Nominating Committee shall report to the Board of Directors and to the Corporate Governance Committee for the Committee Annual Report.

## **EFFECTIVE DATE**

This Charter was implemented by the Board on **April 20, 2005**.