

## COMPENSATION COMMITTEE CHARTER

### 1. Purpose: Responsibilities and Authority.

The Compensation Committee shall assist the Board in carrying out its responsibilities relating to executive and director compensation. In furtherance of this purpose, the Committee shall have the following responsibilities and authority:

- (a) The Committee shall review and make recommendations to the Board with respect to the corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those goals and objectives, and recommend to the Board the compensation level of the Chief Executive Officer based on this evaluation;
- (b) The Committee shall recommend to the Board the form and amount of compensation to be paid by the Company to directors for service on the Board and on Board committees. The Committee shall review director compensation at least annually.
- (c) The Committee shall annually review the Company's base compensation structure and the Company's incentive compensation and share option and other equity based compensation plans and recommend changes in or additions in such structure and plans to the Board as needed.
- (d) The Committee shall recommend to the Board the annual base compensation of the Company's executive officers and senior managers (collectively the "Officers").
- (e) The Committee shall recommend to the Board annual corporate goals and objectives under any incentive compensation plan adopted by the Company for Officers providing services to the Company, and recommend incentive compensation participation levels for Officers providing services to the Company under any such incentive compensation plan. In determining the incentive component of compensation, the Committee will consider the Company's performance and relative shareholder return, the values of similar incentives at comparable companies and the awards given in past years.
- (f) The Committee shall evaluate the performance of Officers generally and in light of annual corporate goals and objectives under any incentive compensation plan.
- (g) The Committee shall periodically review with the Chairman and Chief Executive Officer their assessments of corporate officers and senior managers and succession plans, and make recommendations to the Board regarding appointment of officers and senior managers.
- (h) The Committee shall administer the Company's share option plan in accordance with its terms. Without limitation, the Committee shall have the authority to determine participants under the Company's share option plan, grant stock options, determine the number of common shares of the Company purchasable pursuant to each option grant and to allot the common shares issuable pursuant thereto, and to determine the exercise price, term of exercise, vesting conditions, termination provisions and such other terms and

conditions as the Committee may determine in accordance with the terms of the share option plan, without further authorization or approval from the Board.

- (i) The Committee shall review executive compensation disclosure before the Company publicly discloses such information.
- (j) The Committee shall recommend to the Corporate Governance and Nominating Committee the qualifications and criteria for membership on the Committee.

The Chief Executive Officer of the Company shall not be present during any vote or other deliberation of the Committee regarding the compensation or performance of the Chief Executive Officer.

## **2. Structure and Membership**

- (a) **Number.** The Committee shall consist of at least three directors unless the Board should from time to time otherwise determine.
- (b) **Selection and Removal.** Members of the Committee shall be appointed by the Board, upon the recommendation of the Corporate Governance and Nominating Committee. The Board may remove members of the Committee at any time with or without cause.
- (c) **Independence.** At a minimum a majority of the members of the Committee shall be “independent” as determined under the Company’s Corporate Governance Overview and Guidelines.
- (d) **Chair.** Unless the Board elects a Chair of the Committee, the Committee shall elect a Chair by majority vote.
- (e) **Compensation.** The compensation of the Committee shall be as determined by the Board.
- (f) **Term.** Members of the Committee shall be appointed for one-year terms. Each member shall serve until his or her replacement is appointed, or until he or she resigns or is removed from the Board or the Committee.

## **3. Procedures and Administration**

- (a) **Meetings.** The Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Committee shall keep minutes of its meetings and any other records as it deems appropriate.
- (b) **Subcommittees.** The Committee may form and delegate authority to one or more subcommittees, which may consist of one or more members, as it deems necessary or appropriate from time to time under the circumstances.

(c) **Reports to the Board.** The Committee shall report (orally or otherwise) regularly to the Board following meetings of the Committee with respect to such matters as are relevant to the Committee's discharge of its responsibilities, and shall report in writing on request of the Chairman of the Board.

(d) **Charter.** The Committee shall, at least annually, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

(e) **Independent Advisors.** The Committee shall have the authority to engage such independent legal and other advisors as it deems necessary or appropriate to carry out its responsibilities. Such independent advisors may be regular advisors to the Company. The Committee is empowered, without further action by the Board, to cause the Company to pay appropriate compensation to advisors engaged by the Committee.

(f) **Investigations.** The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it deems appropriate, including the authority to request any Officer or other person to meet with the Committee.

(g) **Annual Self-Evaluation.** The Committee shall evaluate its own performance at least annually, and report the results of the assessment, and any recommend changes to its mandate, to the Board.

#### **4. Additional Powers**

The Committee shall have such other duties as may be delegated from time to time by the Board.

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Approved by the Board of Directors  
Detour Gold Corporation  
March 18, 2008