



COPPER MOUNTAIN MINING CORPORATION
CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS

PART I

Establishment of Committee

1. Committee

The Compensation Committee (the “Committee”) is established by the Board of Directors (the “Board”) of Copper Mountain Mining Corporation (the “Corporation”) to assist the Board in fulfilling its responsibilities relating to matters of human resources and compensation, including equity compensation, and to establish a plan of continuity and development of senior management. The Committee has responsibility for evaluating and making recommendations to the Board regarding the compensation of the Corporation’s Chief Executive Officer, the range of compensation for other executives, and the equity-based and incentive compensation plans, policies and programs of the Corporation. The Committee will also review and recommend to the Board the compensation payable to directors. The Committee shall review management’s annual report on executive compensation for recommendation to the Board for approval and inclusion in the Corporation’s disclosure documents.

2. Composition of Committee and Member Qualifications

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than two directors. Each member of the Committee shall be determined by the Board to be:

- a) an “independent” director for the purposes of any applicable corporate, securities or other legislation or any rule, regulation, instrument, policy, guideline or interpretation under such legislation; and
- b) an “independent” director with appropriate knowledge in Compensation as defined in and for the purposes of any applicable governance guidelines or listing standards of



any stock or securities exchange upon which the securities of the Corporation are from time to time listed.

3. Appointment of Committee Members

The members of the Committee shall be appointed by the Board. The members of the Committee shall be appointed annually following each annual meeting of Shareholders, and shall hold office until the next annual meeting, or until they are removed by the Board or until they cease to be directors of the Corporation.

PART II

Committee Procedure

4. Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board, and shall be filled by the Board if the membership of the Committee is fewer than two directors. The Board may remove and replace any member of the Committee.

5. Committee Chair

The Board shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board.

Outlined below is the position description for the Chair of the Committee.

The Chair manages the affairs of the Committee, including overseeing its effective operation and its undertaking of all oversight functions as set out in this Charter.

The primary responsibilities of the Chair include:

- providing effective Committee leadership, overseeing all aspects of the direction and administration of the Committee in fulfilling its mandate;
- overseeing the mandate, structure, composition, membership and activities delegated to the Committee;
- reporting the results of each Committee meeting at the next Board meeting and make available to each director copies of the Committee meetings' materials and minutes;
- scheduling Committee meetings in consultation with the Chairman of the Board, other Committee members, and the appropriate members of management;

- setting the agenda for Committee meetings in consultation with the appropriate members of management;
- chairing all Committee meetings;
- communicating with appropriate members of management in fulfilling the mandate of the Committee;
- confirming that Committee members are receiving written information and are exposed to presentations from management consistent with fulfilling the mandate of the Committee;
- allotting sufficient time during Committee meetings to fully discuss agenda items of relevance and importance to directors;
- retaining, in consultation with the Chairman of the Board, expert consultants on behalf of the Committee, as needed; and
- overseeing the assessment of the performance of the Committee annually.

6. Absence of Chair

If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

7. Secretary of Committee

The Committee shall appoint a Secretary who need not be a director of the Corporation.

8. Regular Meetings and Work Plan

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least twice per year.

The Committee, in consultation with the Board and management, shall develop and maintain a Committee work plan setting out the scheduled business to be conducted at the Committee's regular meetings throughout the fiscal year on all matters within the Committee's mandate and any other matters as may be determined to be necessary or appropriate.



9. Special Meetings

The Chair, any two members of the Committee, or the Chief Executive Officer may call a special meeting of the Committee.

10. Quorum

Two members of the Committee or if there are more than two members on the Committee, a majority of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other, shall constitute a quorum.

11. Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

12. Agenda

The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.

13. Delegation

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.

14. Access

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and management of the Corporation.



15. In Camera Sessions and Attendance of Officers at a Meeting

The Committee may meet in camera, without management, at each meeting of the Committee, as considered appropriate or necessary by the members of the Committee. Any member of the Committee may move the Committee in camera at any time during the course of a meeting, and a record of any decisions made in camera shall be maintained by the Committee Chair for review with the Board. The Committee shall also meet at least annually in camera without other members of management present. At the invitation of the Chair, one or more officers or management of the Corporation may, and if required by the Committee shall, attend a meeting of the Committee or a portion thereof.

16. Procedure, Records and Reporting

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board in a timely manner.(but not later than the next meeting of the Board).

17. Outside Consultants or Advisors

The Committee whenever it considers it necessary or advisable, may request management to retain outside consultants to provide appropriate compensation surveys to assist the Committee independently on any matter within its mandate. The Committee shall request additional or specific appropriate surveys as they deem necessary. Engaging independent counsel and other advisors, with such approval as the Committee deems necessary, if the Committee determines such advisors are necessary to assist the Committee in carrying out its duties and setting and paying for any counsel or advisors employed by the Audit Committee for such purpose. The Committee shall advise the Board of Directors and management of such engagement.

The compensation recommendations made by the Committee to the Board are the responsibility of the Committee and will reflect such factors and considerations as the Committee considers appropriate in addition to the information provided by the consultants reports.

PART III

Mandate of Committee

18. Compensation Guidelines and Agreements

The Committee shall review management's recommendations and recommend to the Board a statement of compensation philosophy, strategy, and principles for the Corporation's executives and administer the Corporation's executive compensation and



benefits program in accordance with the statement approved by the Board. The statement shall take into account all applicable laws, rules and guidelines regarding executive compensation and accountability.

The Committee shall also be responsible for reviewing management's recommendations, as appropriate, and providing recommendations in its discretion to the Board regarding certain matters relating to all employees, including annual salary and incentive policies and programs, material new benefit programs, and material changes to existing benefit programs.

The Committee shall also, at least annually review and make recommendations to the Board with respect to the compensation to be paid to the directors of the Corporation.

19. Chief Executive Officer Evaluation and Compensation

The Committee shall review and recommend to the Board the use of corporate goals and objectives relevant to the total compensation package of the Chief Executive Officer, recommend a performance evaluation process for the Chief Executive Officer, and evaluate the performance of the Chief Executive Officer using such evaluation process in light of the corporate goals and objectives.

The Committee shall determine and recommend to the Board for approval the Chief Executive Officer's compensation based on its evaluation of his performance and, where appropriate, with reference to competitive market data regarding compensation paid to chief executive officers of peer companies. In addition, in determining the long-term incentive component of the compensation of the Chief Executive Officer, the Committee shall consider the Corporation's performance and shareholder return relative to peer companies, the value of similar incentive awards to chief executive officers at peer companies and the long-term incentive awards given or not given to the Chief Executive Officer in past years.

This Charter should not be construed as precluding discussion of compensation of the Chief Executive Officer with the Board, as it is not intended to impair communication among members of the Board.

20. Other Executive Compensation and Oversight

In consultation with the Chief Executive Officer, the Committee shall review the evaluation of the Corporation's executives other than the Chief Executive Officer and shall make recommendations to the Board with respect to the compensation packages for the Corporation's executives other than the Chief Executive Officer. The Committee shall consider not only comparative compensation surveys, but also Corporation-specific factors and such other factors as the Committee considers appropriate in determining executive compensation packages.

21. Equity Compensation Review

The Committee shall review management's recommendations, as appropriate, and make recommendations in its discretion to the Board regarding, incentive compensation or equity plans, programs or similar arrangements that the Corporation establishes for, or makes available to, its officer, employees and consultants, including the designation of the officers, employees and consultants who may participate, the share and option availability and the administration of share purchases.

In addition, the Committee shall review periodically, as appropriate, the extent to which these forms of compensation are meeting their intended objectives, and shall make recommendations in its discretion to the Board regarding modifications that will more accurately relate such compensation to officer, employee or consultant performance.

22. Peer Groups

To the extent that the Committee uses comparative market data to (i) determine compensation awarded to the Chief Executive Officer and other executives, or (ii) measure the performance of the Corporation for purposes of determining the quantum or vesting of annual or long-term incentives, the Committee may:

- a) periodically review the criteria used to select companies to be included in any peer group in order to ensure that the criteria are and remain appropriate;
- b) annually review the companies included in any peer group used to review or set the compensation of any executive, including the Chief Executive Officer, in order to ensure that the peer group contains appropriate comparative market data; and
- c) periodically review the companies included in any peer group used to measure the Corporation's performance to ensure that the companies included provide appropriate comparisons.

23. Director Compensation

The Committee shall determine and recommend to the Board for approval the compensation paid to the Corporation's directors based on its evaluation of the director's performance and, where appropriate, with reference to competitive market data regarding compensation paid to directors of peer companies. The Committee may from time to time retain any consultants as may be deemed necessary to provide assistance with respect to any compensation to be paid to the directors.

24. Management Resources and Plans for Executive Development and Succession

The Committee shall review, as required, with the Chief Executive Officer the performance of and potential for advancement of each key officer of the Corporation. The Committee may also at its discretion request information with respect to the management resources



available to the Corporation. The Committee shall periodically discuss with the Chief Executive Officer their views as to the successors for the Chief Executive Officer, Chief Financial Officer, and key Vice-Presidents in the event of an unexpected incapacity of such officers.

The Committee will annually review as required the Corporation's succession plans for the positions of President and Chief Executive Officer, Chief Financial Officer, and other executive officers of the Corporation. The Committee shall monitor the progress and development of the succession candidates internal to the Company in accordance with the succession plans, and annually review the adequacy of the succession candidates to foster timely and effective executive continuity. The Committee shall report on these matters to the Board at least once a year.

As required, the Committee will review the Corporation's management organization structure, including any proposals of the Chief Executive Officer for changes to the structure, and report any significant organizational changes, along with the Committee's recommendations, to the Board.

The Committee shall report to the Board, as required, regarding its appraisal of the Corporation's succession and emergency contingency plans.

25. Compensation Committee Interlocks

In order to ensure that none of the Corporation's executives serve as members of a compensation committee (or equivalent committee) of any entity that employs a member of the Committee, management shall keep the Committee apprised in a timely manner of the appointment of the Chief Executive Officer and the other executive officers of the Corporation to the boards of directors of any other public companies.

26. Compensation Risks

The Committee will review risks inherent in the Corporation's Compensation policies, identify risks and determine strategies to minimize any risks.

27. Compensation Disclosure

The Committee shall:

- a) in consultation with management, determine whether the disclosure of performance goals and objectives in the Corporation's "Compensation Discussion & Analysis" required by applicable laws, rules and guidelines would involve confidential trade secrets or



confidential commercial or financial information, the disclosure of which would seriously prejudice the Corporation's interests;

- b) assist in, review, and recommend to the Board for approval of the Corporation's "Compensation Discussion & Analysis" as required to be published by applicable laws, rules and guidelines; and
- c) review and recommend to the Board for approval, as appropriate, any other significant information relating to matters within the Committee's mandate contained in the Corporation's disclosure documents.

28. Annual Meeting Attendance

Members of the Committee shall make themselves available (to the extent they are available) at annual general meetings of the shareholders of the Corporation to answer shareholders' inquiries in the areas covered by the Committee's mandate.

29. Advisory Vote on Executive Compensation

Reviewing annually and recommending for approval by the Board the Corporation's approach with respect to an advisory vote on executive compensation ("say on pay"). The Committee shall also review the results of say on pay resolutions and consider, and report to the Board on, any implications.

30. Review of Committee's Charter

The Committee shall assess the adequacy of this Charter, as required from time to time, and recommend any changes to the Board.

31. Non-Exhaustive List

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities.