



COMPENSATION & HUMAN RESOURCES COMMITTEE
TERMS OF REFERENCE AND MANDATE

PART I

Establishment of Committee and Procedures

1. Committee

There shall be a committee, to be known as the Compensation & Human Resources Committee (the “Committee”) of the Board of Directors of the Corporation.

2. Composition

The Committee shall consist of not less than three and not more than five Directors, a majority of whom are resident Canadians (as defined in the Canada Business Corporations Act), however, none of whom shall be an officer or employee of the Corporation or any of its subsidiaries and the majority of whom are independent and unrelated to the Corporation, as those terms are defined in the Toronto Stock Exchange Guidelines on Corporate Governance.

3. Appointment of Members

Members of the Committee shall be appointed at the meeting of the Directors immediately following the annual meeting of shareholders, and shall hold office until the next annual meeting, or until their successors are appointed, or until they cease to be Directors of the Corporation. It is desirable that membership on the Committee be rotated such that as many different Directors as possible have an opportunity at some time to serve on the Committee.

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 less than three Directors. Any member may be removed or replaced at any time by the Board. Any member shall cease to be a member upon ceasing to be a Director.

5. Compensation & HR Committee Chair

The Board shall appoint a Chair for the Committee.

6. Absence of Chair

If the Chair of the Committee 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

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

8. Meetings

The Chair or any two members of the Committee may call a meeting of the Committee. The Committee shall meet at least two times per year. All committee members are expected to attend each meeting, in person or by electronic media.

9. Quorum

Two members of the Committee, present in person or by electronic media that permit all persons participating in the meeting to speak to each other, shall constitute a quorum. All decisions must be unanimous or referred to the Board.

10. Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or via electronic communication to each member of the Committee at least 72 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 transactions of any business on the grounds that the meeting is not lawfully called. An annual schedule of meetings is to be established and maintained.

11. Attendance of Officers at Meeting

At the invitation of the Chair of the Committee, one or more officers of the Corporation may attend any meeting of the Committee.

12. Procedure, Records and Reporting

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board). Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

13. Independent Advisors

The Committee may engage independent counsel and other advisors as it deems necessary to carry out its duties. Furthermore, the Committee has the authority to set and pay the compensation for any such advisors which are employed by the Committee.

PART II

Mandate of Committee

14. Specific Mandates

The Committee shall:

- (a) review and approve the Corporation's goals and objectives relevant to the President and Chief Executive Officer's compensation and to recommend for approval by the independent directors of the Board such compensation package and goals and objectives;
- (b) evaluate the President and Chief Executive Officer's performance on an annual basis as such performance relates to the established goals and objectives;
- (c) make recommendations to the Board with respect to incentive compensation and equity based plans, and significant changes to pension and other benefit plans;
- (d) adopt, administer, approve and ratify awards under incentive compensation and stock plans, including amendments to the awards made under any such plans and review and monitor awards under such plans;
- (e) review with the President and Chief Executive Officer and comment upon recommendations to the Board for:
 - the compensation plans for Senior Executive officers of the Corporation;
 - in cooperation with the Audit Committee, the appointment of the Chief Financial Officer prior to consideration by the Board;
 - the appointment of all other Senior Executive officers prior to consideration by the Board;
 - employment contracts and any other individual financial arrangements; and
 - termination settlements for senior management.
- (f) review and reassess the adequacy of this Mandate annually and recommend any proposed changes to the Board for approval;
- (g) review annually and recommend the compensation for Directors;
- (h) review executive compensation disclosure before the public disclosure by the Corporation;
- (i) review and reassess the adequacy of the Corporate Human Resources Policies Manual annually to ensure the Corporation's legal and ethical obligations to its employees are fulfilled;

- (j) in cooperation with the Audit Committee, review the succession plan in respect of the Chief Financial Officer of Big Rock and recommend approval of such plan to the Board;
- (k) review succession plans for all other key Management positions and recommend approval of those plans to the Board; and
- (l) review the Big Rock People Plan goals and objectives and progress reports and report to the Board on potential risks or gaps in resources.