



## COMPENSATION & NOMINATION COMMITTEE CHARTER

The Compensation and Nomination Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Novo Resources Corp. (the “**Company**”) shall assist the Board in discharging its responsibilities relating to:

1. Compensation of the Company’s executive officers and the directors of the Company.
2. Establishment and administration of policies, programs and procedures for compensating and incentivising its executive officers.
3. Oversight of the compensation structure and benefit plans and programs of the Company.
4. Executive compensation disclosure.
5. Assessing the composition and effectiveness of the Board.

### **Constitution**

1. The Committee will be comprised of at least three members all of whom shall be directors.
2. At least one member will have experience in evaluating and determining compensation levels of publicly traded companies engaged similar business as the Company.
3. Each Committee member subject to any exemptions set out in *National Instrument 52-110 Audit Committees (“NI 52-110”)* will be independent. Without limiting the foregoing, an “independent” director is a director who has no direct or indirect material relationship with the Company and a “material relationship” is a relationship which could, in the view of the Board be reasonably expected to interfere with the exercise of the director’s independent judgment or a relationship deemed to be a material relationship pursuant to *Section 1.4 of NI 52-110*.
4. The members of the Committee will be appointed by the Board annually at the first meeting of the Board after a meeting of the shareholders at which directors are elected and shall serve until the next annual meeting of shareholders or until their successors are duly appointed or until such member resigns, retires or is removed from the Committee by the Board.
5. The Chair of the Committee shall be designated by the Board from among the Committee members.

### **Meetings**

1. The Committee shall meet at least once per quarter or more frequently as circumstances require. A Committee member who is unable to attend in person may attend a Committee meeting by telephone, video conference or other telecommunication device that permits all persons participating in the meeting to speak and hear each other. In addition the Committee may act by unanimous written consent in lieu of a meeting.
2. Meetings of the Committee shall be held from time to time as the Committee or the Chair shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Committee.



## COMPENSATION & NOMINATION COMMITTEE CHARTER

3. The Chair shall be responsible for calling the meetings of the Committee (directly or through the Secretary of the Company) establishing a meeting agenda (with input from management) and supervising the conduct of meetings.
4. A majority of the members of the Committee will constitute a quorum for conducting business of the meeting of the Committee.
5. The Committee shall have access to such officers and employees of the Company, its external auditor and legal counsel, and to such information respecting the Company, and may engage separate independent counsel and advisers at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.; however, officers and employees shall not be present when the Committee discusses or votes on his or her compensation.
6. The Committee shall hold in camera sessions without the presence of management at each meeting (unless the members of the Committee present determine that such a session is not required).
7. The Chair will appoint a secretary of each meeting of the Committee, who need not be a member of the Committee and who will maintain the minutes of the meeting and circulate copies of the minutes to each Committee member on a timely basis. The minutes of the Committee meetings will be made available for review by the Board.

### Responsibilities

#### 1. Establishment of executive compensation policies and programs

The Committee will review and approve or provide recommendations to the Board in respect of all proposed compensation and benefit programs (including base salaries, bonuses and other performance incentives and long term incentive plans), employment and retention agreements with any senior executive officer of the Company 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. As part of its review process the Committee will review other compensation data of comparable companies.

#### 2. Establishment, review and approval of corporate goals and executive compensation

- (a) The Committee will establish a compensation philosophy for the Company.
- (b) The Committee will review and approve annually corporate goals and objectives relevant to the compensation of the CEO and the other executive officers including the Chief Operating Officer (“COO”), Chief Financial Officer (“CFO”) and Executive Vice Presidents of the Company based upon the recommendations of the CEO.
- (c) The Committee will evaluate the performance of the CEO. The CEO in turn will evaluate the performance of the CFO, COO, and Executive Vice Presidents, as applicable, and will make recommendations to the Committee regarding their compensation and performance review. Compensation levels will be based on evaluations and any other factors as the Committee deems appropriate, with the input of the CEO, where appropriate and make recommendations to the Board.
- (d) The performance evaluation will be delivered to the CEO by the Chair or other designed person on the Committee. The CEO shall act as the management liaison for the Committee.

**3. Incentive compensation plans by the Board**

- (a) The Committee will review the terms of the Company's equity-linked compensation plans and any other compensation plans and policies, including any internal equity-linked compensation policy and will submit to the Board for approval any of the following:
- (i) Cash incentive compensation and equity-based incentive plans of the Company; and
  - (ii) All other equity-based plans of the Company that require the approval of shareholders or otherwise required by law.
- (b) To the extent determined appropriate by the Committee, the Committee will review recommendations from the CEO for option grants and other equity-linked compensation grants for employees who are not officers of the Company and, as appropriate, recommend such grants to the Board.

**4. Review director compensation**

The Committee will review adequacy and form of compensation of directors of the Company and recommend, from time to time, changes in form and levels of compensation to the Board.

**5. Loans to directors**

The Committee will monitor compliance with any legal requirements relating to the granting of loans by the Company to directors or senior management of the Company.

**6. Continuous disclosure reporting**

The Committee shall prepare any report relating to compensation required by the rules of the stock exchanges or markets on which the securities of the Company are listed or traded and under applicable securities laws and report regularly on its activities to the Board.

**7. Other delegated duties or responsibilities**

The Committee will perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

**8. Performance assessment**

The Committee will annually review its own performance.

**9. Board composition and effectiveness**

- (a) The Committee will at least annually review and report to the Board on the following:
- (i) the composition and effectiveness of the Board and each of its committees;
  - (ii) the effectiveness of the Chair of the Board; and
  - (iii) the timeliness and quantity of information provided by the committees of the Board and management of the Company to the Board.
- (b) The Committee will review candidates for election as directors and recommend nominees to the Board for approval by the Board and election by shareholders and, for such purpose, the Committee will assess the skills and other attributes of existing Board members and, in light thereof, identify individuals believed to be qualified to be Board members and recommend to the Board candidates for appointment or election to fill new or vacant positions. In recommending Board candidates, the Committee will consider such factors as it may determine are appropriate, including specific expertise or experience, potential conflicts of interest, personal character, diversity and outside commitments (for example, service on other boards) all in the context of the needs of the Board.



## COMPENSATION & NOMINATION COMMITTEE CHARTER

- (c) The Committee will ensure that all new directors receive a comprehensive orientation upon joining the Board and that an appropriate education program is in place to encourage directors to enhance their skills as directors and ensure that their knowledge of the Company's business remains current.
- (d) The Committee will review and make recommendations to the Board in connection with Board and executive management succession planning.
- (e) The Committee will:
  - (i) review and assess the independence of each of the directors;
  - (ii) review on an annual basis each position held by any director of the Company with any other public company or any actual or potential competitor, business partner or significant investor to ensure that each such position and/or the services provided by such director to such other entity is consistent with the Company's conflict of interest standards as set out in the Company's Code of Conduct and Ethics.
- (f) The Committee will advise on and recommend processes to ensure that suitable programs and materials for the orientation of new directors are provided and to ensure that the Company has an effective on-going education program for all directors.

### **Authority and resources**

1. The Board shall retain the authority to reverse or vary any decision of the Committee.
2. The Committee has the authority to engage independent legal, accounting or other advisors or consultants.
3. The Company will provide appropriate funding as determined by the Committee, for payment of compensation to any consultants and to any other advisors employed by the Committee, however, such funding will not exceed \$25,000 annually without the prior approval of the Board.
4. The Committee will have the authority to engage and terminate compensation consultants to assist in the evaluation of director or executive officer compensation, and subject to paragraph 2 above, the authority to approve the fees and other retention terms of such compensation consultants.
5. The Committee will review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

### **Approval**

Approved by the Board of Directors on 31 March 2018.