



## Compensation Committee Charter

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### **I. Purpose**

The primary objective of the Compensation Committee (the “Committee”) of Imperial Metals Corporation (the “Company”) is to discharge the Board's responsibilities relating to compensation and benefits of the executive officers and directors of the Company.

### **II. Organization**

Members of the Committee shall be directors and the Committee membership shall satisfy the laws governing the Company and the independence requirements of securities law, stock exchanges and any other regulatory requirements. The Committee shall be composed of three or more members of the Board each of whom shall be independent, non-executive directors. The members of the Committee and the Committee’s Chair shall be appointed by the Board upon the recommendation of the Corporate Governance and Nominating Committee.

Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board.

### **III. Meetings**

The Committee shall meet at least once per year and as many times as the Committee deems necessary. The Committee Chair, any member of the Committee, the Chair of the Board, or the President may call a meeting of the Committee by notifying the Company’s Corporate Secretary or the Committee Chair who will notify the members of the Committee.

A majority of the members of the Committee shall constitute a quorum. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present.

The Committee Chair shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee. In the absence of the Committee Chair at a meeting of the Committee, the members of the Committee present may appoint a chair from their number for such meeting.

### **IV. Authority and Responsibilities**

To fulfill its responsibilities, the Committee shall:

1. review existing executive compensation plans and review and approve the compensation (including stock option, share bonus, cash bonus and other incentive awards that may be granted) of executive officers of the Company and any changes that may occur in the compensation of the executive officers of the Company and report on a timely basis to the Board all such approvals and changes;
2. review and approve as the Committee may deem appropriate recommendations from management concerning the granting of employee stock options or other forms of equity related compensation and report such grants as may be approved by the Committee to the Board;
3. review and recommend to the Board new compensation and employee benefit plans or material changes to existing compensation and employee benefit plans;
4. review the Company’s senior management and the steps being taken to assure the succession of qualified senior management at the Company;
5. review management’s Compensation Disclosure & Analysis of executive compensation for inclusion in the proxy statement of the Company;

6. review and recommend periodically to the Board, the compensation for directors;
7. review and reassess the adequacy of this Charter annually and recommend to the Board any changes deemed appropriate by the Committee;
8. maintain minutes of meetings and to report on a regular basis to the Board on significant results of the foregoing activities; and
9. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

#### **V. Resources**

The Committee shall have the authority to retain outside advisors, including (i) the sole authority to retain or terminate consultants to assist the Committee in the evaluation of compensation of senior management and directors; and (ii) the sole authority to determine the terms of engagement and the extent of funding necessary for payment of compensation to any consultant retained to advise the Committee.

#### **VII. No Rights Created**

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all applicable requirements, as well as in the context of the Company's Articles, it is not intended to establish any legally binding obligations.