



# ATLANTIC GOLD

## COMPENSATION COMMITTEE CHARTER

" This Charter was implemented by the Board in May 2011 and last reviewed in September 2012"

### **1. PURPOSE**

The Compensation Committee (the "Committee") of Atlantic Gold Corporation (the "Company") is a committee of the Board of Directors (the "Board") whose primary function is to monitor and make recommendations to the Board in respect of the total compensation paid by the Company to its senior executives.

### **2. COMPOSITION**

- 2.1 The Committee shall be comprised of two or more directors, all of whom shall be "independent" directors (within the meaning set out in National Instrument 58-101 on "Disclosure of Corporate Governance Practices" adopted by the Canadian Securities Administrators).
- 2.2 The members of the Committee shall be appointed by the Board and shall serve until their successors are appointed. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies in it, subject to the Committee continuing to satisfy the composition requirements mentioned above.
- 2.3 The Board shall designate one member of the Committee as its Chair. If a Chair of the Committee is not so designated or present at a meeting, the members of the Committee may designate a Chair by majority vote of the Committee membership.

### **3. MEETINGS**

- 3.1 Except as expressly provided in this Charter, the Committee shall fix its own rules of procedure.
- 3.2 In order to discharge its responsibilities, the Committee shall establish a schedule of meetings on an annual basis (with meetings at least once annually) and shall otherwise meet at such times as the Chair of the Committee shall designate.
- 3.3 The Committee may request any officer or other employee of the Company, or any representative of the Company's legal counsel or other advisors, to attend meetings or to meet with any members or representatives of the Committee.
- 3.4 A majority of the number of appointed Committee members will constitute a quorum for conducting business at a meeting of the Committee.

#### **4. AUTHORITY AND RESPONSIBILITIES**

- 4.1 As long as the Company is a reporting issuer in a jurisdiction in Canada, the Committee shall review annually the total compensation (including direct salary and annual bonus as well as long term stock related incentive plans) paid to each Executive Officer (as defined under National Instrument 51-102 *Continuous Disclosure Obligations* adopted by the Canadian Securities Administrators).
- 4.2 The Committee shall be responsible for reviewing and considering corporate goals and objectives relevant to compensation for all Executive Officers, evaluating the performance of each Executive Officer in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to) the level of compensation for the Executive Officers based on this evaluation. In considering Executive Officers other than the Chief Executive Officer, the Committee shall take into account the recommendation of the Chief Executive Officer.
- The Committee will also review, on an annual basis, compensation paid to directors and senior management of companies of similar size and stage of development and determine appropriate compensation levels, reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company.
- 4.3 The Committee shall be responsible for and shall make recommendations to the Board regarding the Company's Incentive Stock Option Plan in respect of option grants, option terms and amendments to such plan, and shall review the disclosure related to such plan or any successor when it is submitted for shareholder approval.
- 4.4 The Committee shall also review, and recommend to the Board for its approval (a) the Report on Executive Compensation required to be included in the Company's Annual Information Circular; (b) matters relating to any pension plans of the Company, including plan design and benefit improvements; and (c) any severance or similar termination payments proposed to be made to any current or former Executive Officer.
- 4.5 The Committee shall also review annually, and submit to the Board for its approval, the compensation to be paid to members of the Board as directors, in light of director compensation guidelines established by the Board.
- 4.6 The Committee shall maintain minutes of meetings and report to the Board on significant matters arising at Committee meetings at the next scheduled meeting of the Board.
- 4.7 The Committee shall have the authority to conduct any investigation appropriate to fulfilling its responsibilities. After discussion with the Board, it shall have the ability to retain, at the Company's expense, such compensation consultants or legal assistance it deems necessary in the performance of its duties.