



Amended: May 10, 2006
Adopted: June 9, 2004

MANDATE OF THE COMPENSATION COMMITTEE

Purpose

To assist the board of directors in discharging its oversight responsibilities in regard to fairly rewarding the Company's directors and key senior executive employees through compensation and appropriate performance incentives;

To assist the board and the Chief Executive Officer in attracting, evaluating and retaining key senior executives;

To produce an annual report on director and executive compensation for inclusion in the Company's documentation published in accordance with applicable rules and regulations.

Composition

The Compensation Committee (the "Committee") will consist of at least three members of the board of directors. The board will appoint the Committee members and the Committee Chairperson.

The Committee shall ensure that the Chairperson and its members shall be independent directors as defined by the Toronto Stock Exchange, the Ontario Securities Commission or any other regulator to which the Company reports or may report in the future.

Procedures, Powers and Duties

The Committee will meet at least two times a year, with authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting. At least one meeting of the Committee annually shall be with the Company's Chief Executive Officer; however, the Committee shall also regularly meet without management present.

No business shall be transacted by the Committee except at a meeting where a majority of the members are present, either in person or by tele or video conference.

The Committee may engage outside consultants to advise it in matters relating to this mandate at the Company's expense, without the prior approval of the directors of the Company.

The Committee's business will be recorded in minutes of the Committee, which shall be submitted to the board of directors.

The Committee shall annually:

- a) review the compensation of the Company's directors and the Committees of the board of directors, based on work performed, responsibility assigned and liability incurred, as well as considering industry norms where appropriate and contextually relevant;
- b) articulate a job description, as well as performance goals and criteria for the Chief Executive Officer, and review actual performance relative to such description, performance goals and criteria;
- c) based on such reviews, recommend to the board of directors the Chief Executive Officer's compensation;
- d) review the Chief Executive Officer's evaluation of the senior executive employees of the Company;
- e) based on the Chief Executive Officer's reviews, recommend to the board of directors the compensation of the Company's senior executive employees.

In recommending compensation packages for the Company's directors, the Chief Executive Officer and the Company's senior executive employees, the Committee shall take into account the competitiveness and appropriateness of such compensation, as well as any other factors that the Committee, in its judgment and based on industry comparison and outside advice, feels it is prudent to consider. In seeking the proper balance of compensation of the Company's directors, Chief Executive Officer and the Company's senior executive employees, the Committee shall consider all forms compensation, including salary, benefits and performance incentives such as the right to participate in stock option plans or deferred share unit plans.

The Committee shall, on an ongoing basis, assess the need for planning the succession of the Chief Executive Officer and the Company's senior executive employees and, when required, initiate appropriate succession planning. However, planning for the succession of the Company's directors is explicitly the responsibility of the Corporate Governance & Nominating Committee.

The Committee shall annually prepare, for inclusion in the Company's published documentation in accordance with applicable rules and regulations, a report on the compensation of the Company's directors, the Chief Executive Officer and its senior executive employees.

The Committee shall perform any other related activities as requested by the board of directors.

Mandate Reviews

The Committee shall annually review its performance relative to this Mandate.

The Committee shall regularly review the adequacy of this Mandate and recommend changes to the board of directors.