

SARAMA RESOURCES LIMITED

COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE CHARTER

OBJECTIVE OF CHARTER

There shall be a Committee of the Board of Directors (the “**Board**”) of Sarama Resources Ltd. (the “**Company**”) known as the Compensation and Corporate Governance Committee (the “**Committee**”) the membership, authority and responsibilities of which shall be as set out in this Compensation and Corporate Governance Committee Charter.

The Committee’s primary functions are to:

- (a) Oversee and provide support to the Board concerning the Company’s remuneration policies and practices, the overall remuneration strategy and the award of stock options;
- (b) Identify individuals qualified and suitable to become Board members and make recommendations to the Board in that regard;
- (c) Assist the Board in its oversight role with respect to;
 - (i) the development of the Company’s corporate governance policies, practices and processes,
 - (ii) the effectiveness of the Board and its committees;
 - (iii) the contributions of individual directors;
- (d) Review on a periodic basis the composition of the Board members ensuring that an appropriate number of directors sit on the Board, as well as analyzing what competencies and skills the Board, as a whole, should possess; and
- (e) Assess what competencies and skills each existing director possesses.

The Board will review this Charter annually to ensure it remains consistent with the Board’s objectives and responsibilities.

MEMBERSHIP

1. The Committee will comprise three members, all of whom will be non-executive, independent directors.
2. Members will be appointed by the Board and shall serve until the earlier to occur of the date on which he or she shall be replaced by the Board, resigns from the Committee, or resigns from the Board.
3. The Board shall appoint one of the directors elected to the Committee as the Chairperson of the Committee. In the absence of the appointed Chairperson of the Committee from

any meeting, the members shall elect a Chairperson from those in attendance to act as Chairperson of the meeting.

MEETINGS

1. The Committee shall meet as frequently as required, but not less than two times annually. The Board shall name a Chairperson of the Committee, who shall prepare an agenda in advance of each meeting and shall preside over meetings of the Committee. If the Chairperson is absent from a meeting, the Committee shall select a Chairperson for that meeting. A majority of the members of the Committee shall constitute a quorum and the act of a majority of the members present at a meeting where a quorum is present shall be the act of the Committee. The Committee may also act by unanimous written consent of its members. The Committee shall maintain minutes or other records of meetings and activities of the Committee.
2. The Committee shall, through its Chairperson, report regularly to the Board following the meetings of the Committee.
3. Notice of meeting may be given orally or by letter, electronic mail, telegram, telephone, facsimile transmission or telephone not less than 24 hours before the time fixed for the meeting.
4. The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

COMPENSATION RESPONSIBILITIES

The compensation responsibilities of the Committee include the following:

- (a) Reviewing and approving corporate goals and objectives relevant to Chief Executive Officer (“CEO”) compensation, evaluating the CEO’s performance in light of those corporate goals and objectives, and recommending to the Board the CEO’s compensation level based on this evaluation, including salary, incentives, benefits and other perquisites;
- (b) Reviewing and recommending to the Board the compensation, including salary, incentives, benefits and other perquisites, of all directors and executive officers, except for the CEO;
- (c) Professional indemnity and liability insurance for directors and senior management;
- (d) Reviewing succession plans for senior management; and
- (e) Reviewing all executive compensation disclosure before the Company publicly discloses this information.

CORPORATE GOVERNANCE RESPONSIBILITIES

1. The corporate governance responsibilities of the Committee include the following:
 - (a) Reviewing corporate governance policies, practices and processes and making appropriate recommendations for their improvement;
 - (b) Monitoring the quality and effectiveness of the corporate governance system;
 - (c) Reviewing the contributions of individual directors;
 - (d) Administration of the Board's relationship with management;
 - (e) Reviewing any involvements of any of the directors which constitute, or may result in, a conflict of interest;
 - (f) Reviewing the skills, areas of expertise, backgrounds, independence and qualifications of the members of the Board;
 - (g) Considering the competencies and skills that the Board considers each existing director to possess, as well as the competencies and skills each new nominee will bring to the boardroom;
 - (h) Considering the appropriate size of the Board, with a view to facilitating effective decision-making;
 - (i) Identifying and recommending qualified candidates to the Board, and recommending the slate of nominees for election by the shareholders at the annual meeting;
 - (j) Reviewing, at least annually, the Committee's duties and responsibilities and determining if any amendments, additions or deletions are necessary;
 - (k) Reporting to the Board at the earliest opportunity following any meeting of the Committee;
 - (l) Developing and implementing corporate communications policies; and
 - (m) Such other duties as may be delegated by the Board to the Committee from time to time.

The Committee is also responsible for developing the Company's approach to corporate governance issues and is mandated to plan for the succession of senior management, including appointing, training and monitoring senior management to ensure that the Company's Board and management have appropriate skill and experience.

The Committee is entitled to access to any and all books and records of the Company necessary for the execution of the Committee's obligations and is required to discuss with the officers of the Company such records and other matters considered appropriate. The Committee may obtain

independent professional advice at the Company's expense, upon obtaining prior approval of the Chairman, which consent is not to be unreasonably withheld.