



## COMPENSATION/NOMINATING COMMITTEE CHARTER

### Purpose

The Compensation/Nominating Committee of Hemisphere Energy Corporation assists the Board of Directors in the oversight of its recruitment, retention and motivation of directors, officers and employees in regard to the competitive conformity of compensation and corporate objectives. The Compensation/Nominating Committee also assists the Board of Directors in the oversight of recruiting new directors, as required.

### Composition

The Compensation/Nominating Committee consists of no less than three directors, each of whom is "independent" as defined under National Instrument 52-110 *Audit Committees*, and is annually appointed by the Board of Directors. The Chair of the Compensation/Nominating Committee is appointed by the Board of Directors at the same time as the member appointment.

### Mandate

- Assisting the Board of Directors in fulfilling their oversight responsibilities with respect to cash and stock compensation of new and existing executives and employees, and nominating new directors, as required.
- Approving stock option grants for employees and consultants.
- Approving cash compensation and stock option grants for officers and directors to recommend to the Board of Directors for approval.
- Meeting annually and at the request of the Compensation/Nominating Committee Chairman.
- Reviewing executive compensation packages of Hemisphere's peer group.
- Annually reviewing the *Statement of Executive Compensation* disclosure in Hemisphere's Management Information Circular for recommendation to the Board of Directors.
- Identifying the competencies and skills represented by the directors and make recommendations to the Board of Directors.
- Recommending director nominees to shareholders at Hemisphere's annual general meeting.

### Annual Review

The Corporate Governance Committee annually reviews the Compensation/Nominating Committee Charter and recommends any amendments to the Board of Directors for approval.