



**PRAIRIE PROVIDENT RESOURCES INC.**

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**COMPENSATION COMMITTEE CHARTER**

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This Charter of the Compensation Committee (the "Committee") of the board of directors (the "Board") of Prairie Provident Resources Inc. (the "Corporation") is adopted by the Board as of September 13, 2016.

**A. Purpose**

The Board has established the Committee for the principal purpose of assisting the Board in establishing and administering the executive compensation program of the Corporation (together with its subsidiaries) and otherwise fulfilling its responsibilities regarding executive appointment, evaluation and compensation matters.

**B. Composition**

The Committee shall consist of at least two (2) members of the Board, all of whom shall be independent under applicable securities laws pertaining to compensation committees. Determinations as to whether the appointment of any particular director to the Committee meets applicable qualification criteria shall be made by the Board.

The Board shall annually appoint the members of the Committee and designate one such member to serve as Chair of the Committee, and in connection therewith review and confirm their independence and qualification.

**C. Responsibilities**

In furtherance of its purpose the Committee shall have the following responsibilities, and in addition to the activities specifically described in this Charter may conduct such activities incidental thereto that the Committee determines to be appropriate or as may otherwise be delegated to it from time to time by the Board:

***Executive Positions***

- identify and evaluate potential candidates for executive officer positions with the Corporation and its subsidiaries, including the Chief Executive Officer;
- oversee the development of the Corporation's management succession plans;

### ***Compensation Generally***

- develop and review from time to time the Corporation's overall compensation philosophy;
- review the Corporation's compensation and benefit policies and practices for both executive and non-executive employees, and consider the implications of risks associated therewith;

### ***Public Disclosure***

- review, prior to any public disclosure thereof, any report or statement on the Corporation's compensation policies and practices (including the compensation discussion and analysis included in the Corporation's management proxy circular), and approve or make recommendations to the Board as to the approval of any such report or statement;

### ***Executive Compensation***

- determine whether to engage a compensation and benefits consultant to advise on executive compensation matters, and if so determined select the consultant and approve the terms of engagement;
- annually review and approve the Corporation's goals and objectives relevant to compensation of the Chief Executive Officer and other executive officers;
- evaluate at least annually the performance of the Chief Executive Officer in light of the approved goals and objectives and, based on such evaluation, set the Chief Executive Officer's annual compensation (including salary, bonus and other short-term incentives, and long-term incentives);
- annually review and approve the evaluation process and compensation structure for the Corporation's other executive officers and, based upon an evaluation of the performance of such other executive officers, approve their annual compensation (including salary, bonus and other short-term incentives, and long-term incentives);
- review and approve the group of companies selected from time to time as being the Corporation's representative peer group for purposes of comparing compensation practices, and make and approve changes to the membership of that group;
- review and approve the material terms of any employment, severance or "change of control" agreement or other arrangement between the Corporation (or any subsidiary) and the Chief Executive Officer or any other executive officer of the Corporation;
- review at least annually all non-management director cash and equity-based compensation and benefits for service on the Board and committees of the Board and recommend any appropriate changes to the Board as necessary;
- review and approve any compensation package offered to any prospective new executive officer;

- assist the Nominating and Corporate Governance Committee of the Board in its review of the Corporation's direct compensation practices, including the composition and quantum thereof, for service on the Board and its committees;

### ***Compensation Plans***

- oversee the development and implementation of the short-term and long-term incentive compensation plans of the Corporation and its subsidiaries, including equity-based incentive plans, and make recommendations to the Board with respect thereto;
- administer the Corporation's incentive compensation plans (including equity-based plans), including with respect to designation of persons eligible to participate, identification of persons to whom incentive awards are to be granted, determination of the number or amount of incentive awards to be granted and the terms and conditions applicable thereto (subject to the provisions of each plan), and delegation to the Chief Executive Officer to determine grant allocations to non-executive personnel;
- approve the form of instrument or agreement to be issued or entered into with any person to whom incentive awards are granted, if so contemplated by the applicable plan under which the award is made;
- review and oversee any pension plan of the Corporation or any of its subsidiaries;
- develop and recommend to the Board for approval a policy pursuant to which the Board may cancel unvested incentive awards and/or recover vested or paid incentive awards in circumstances of serious misconduct involving the holder;
- develop and approve share ownership guidelines for the Chief Executive Officer and other executive officers of the Corporation, and monitor compliance with such guidelines as may be in effect from time to time;

### ***Other***

- report to the Board on Committee activities and make recommendations to the Board regarding any of the matters described in this Charter;
- develop and recommend to the Board such corporate policies as the Committee may from time to time determine to be appropriate in furtherance of its responsibilities;
- conduct an annual evaluation of the Committee's performance of its responsibilities under this Charter, and report to the Board on such evaluation and its results; and
- periodically review (at least annually) this Charter and any approved position description for the Chair of the Committee, including in light of any changes in law or updated regulatory guidance, and recommend to the Board such revisions (if any) as the Committee may determine to be appropriate.

Notwithstanding the responsibilities described herein, nothing in this Charter is intended to create, or shall be construed as creating, any personal duty or liability on the part of any Committee member or

other director of the Corporation, beyond those duties and liabilities specifically provided for under applicable law.

**D. Administrative Matters**

- Meetings. The Committee shall meet on a regularly-scheduled basis at least two (2) times per year, and on such other occasions as the members of the Committee may from time to time determine or as the Board Chair or Chief Executive Officer of the Corporation may request. Unless otherwise specified in the articles or by-laws of the Corporation or this Charter, the time and place for Committee meetings, and the procedure for calling and holding such meetings, shall be determined by the Committee.
- Quorum. A majority of Committee members, present in person, or participating by electronic means, telephone or other communication facilities that permit all persons participating in the meeting to hear each other, shall constitute a quorum at any meeting of the Committee. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.
- Change of members. The Board may at any time and from time to time remove or replace any member of the Committee, and may fill any vacancy on the Committee.
- Term of appointment. Each Committee member shall hold office as such until the close of the next annual meeting of shareholders of the Corporation following the date of his or her appointment (or re-appointment, as applicable), or until he or she resigns, is replaced or for any reason ceases to be a director, whichever first occurs.
- Attendance by others. The Committee or the Chair may, in its discretion, invite such other directors, officers and employees of the Corporation, outside legal counsel and other advisors as it sees fit to attend at all or any portion of any Committee meeting. A director who attends a Committee meeting but is not a member of the Committee shall not be entitled to vote on any matter before the Committee.
- Chair. The Chair of the Committee shall preside at all Committee meetings (including in camera sessions); provided that for any meeting in respect of which the Chair is absent (or there is a vacancy in the position of Chair), the other Committee members may choose one of their number to act as Chair for that meeting. The Chair of the Committee shall approve the agenda for Committee meetings in consultation with the Board Chair, appropriate executive officers of the Corporation and, as considered appropriate by the Committee Chair, other directors. Any Committee member may request that additional items be included on the agenda for a Committee meeting.
- Advisers. The Committee shall have the authority to engage, at the Corporation's expense, independent legal counsel and such other advisers of its choosing (which, for certainty, may include a compensation and benefits consultant) as it may, in its discretion, from time to time determine to be appropriate in the performance of its responsibilities, and to determine the terms of engagement. The fees and expenses of such independent legal counsel and other advisers will be subject to the approval of the Chair of the Committee and paid by the Corporation.

- Funding. The Corporation shall provide the Committee with such funding as the Committee may require to pay the fees and expenses of any independent legal counsel or other adviser engaged by the Committee, and any ordinary administrative expenses incurred by the Committee in the performance of its responsibilities.
- Access to information and personnel. Without limiting their rights as members of the Board to receive and have access to information concerning the Corporation, the Committee shall, in the performance of its responsibilities, have the right to: (i) inspect any and all books and records of the Corporation; (ii) directly contact (through the Chair of the Committee) and meet with any officer, employee or consultant of the Corporation or any of its subsidiaries; and (iii) discuss with any such officer, employee or consultant the information contained in such books and records and any other information or matter that the Committee determines to be appropriate.
- In camera sessions. Unless the Committee determines it to be impracticable in respect of any particular meeting, the Committee members shall hold an in camera session without management of the Corporation at each regular Committee meeting.
- Minutes. Minutes shall be kept of all Committee meetings.
- Delegation. The Committee shall have the authority, in its discretion and as permitted by applicable law, to delegate to its Chair, any one or more of its members, or any subcommittee it may choose to form, its responsibility for, and authority with respect to, any matter or matters contemplated by this Charter; provided that unless expressly authorized by the Committee such delegated authority shall not include the authority to engage independent legal counsel or other experts or advisers.