

## FALCO RESOURCES LTD.

### COMPENSATION COMMITTEE CHARTER

#### I. OVERALL ROLE AND RESPONSIBILITY

The Compensation Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of Falco Resources Ltd. (the “**Corporation**”). It reviews, approves, and, if applicable, recommends to the Board the approval of policies, programs and practices on matters of remuneration and performance evaluation, succession planning, human resources recruitment, health and safety, development and retention which are developed and implemented in conformity with the Corporation’s objectives with the scope of attracting and retaining the best qualified officers and employees.

#### II. MEMBERSHIP, MEETINGS AND QUORUM

The Committee shall consist of a minimum of three (3) and a maximum of five (5) Directors appointed by the Board. The majority of the members of the Committee will be independent (as such term is defined in the *Policy Statement to Regulation 52-110 respecting Audit Committees* and as may be amended from time to time) and comply to other requirements prescribed or recommended by applicable laws, policies and guidelines of the securities regulatory authorities.

The Committee shall meet as often as required, but not less frequently than twice a year. The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussions and consideration of the affairs of the Committee.

The quorum at any meeting of the Committee is a majority of members in office.

#### III. STRUCTURE AND OPERATIONS

Proceedings and meetings of the Committee are governed by the provisions of the by-laws of the Corporation relating to the regulation of the meetings and proceedings of the Board insofar as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board in regards to committee composition and organization.

#### IV. SPECIFIC DUTIES

The following are the duties and responsibilities of the Committee:

##### *Personal or Group Objective setting and Annual Performance Review*

- **review annually and recommend approval** of the personal or group objectives relevant to officers’ compensation (including, as applicable, bonus targets and the relative importance of such objectives, base salary and short and long-term incentives);

- **evaluate annually** the officers' performance in light of those personal or group objectives, taking into account the assessment and proposal of such performance done by the President and Chief Executive Officer (the "**President and CEO**");

*Compensation Plans, Programs and Policies*

- **review annually and recommend** to the Board officers' annual remuneration, including, if warranted, base salary increases, short and long-term incentives and changes in benefits, including recommendations to the Board on the adequacy thereof in order to ensure that the compensation reflects the responsibilities and risks involved in being an efficient officer;
- **review and recommend** to the Board the performance target objectives (including the full performance range, e.g. threshold and maximum) for any incentive plan established at the start of each plan year or cycle; determine whether performance objectives have been achieved at the end of each plan year or cycle;
- **review annually** and, if appropriate, **recommend approval** to the Board of the grants under the long-term incentive plans of the Corporation and make recommendations to the Board in this respect;
- **review** the compensation programs to ensure they do not encourage excessive or inappropriate risk taking;
- **review annually and make recommendations** on the adequacy and form of compensation of Non-Executive Directors, within the framework of a corporate compensation policy for Non-Executive Directors and market surveys of such compensation in peer companies;
- **review and recommend** to the Board any new equity-based plans or significant amendments to existing equity-based plans of the Corporation including an examination of their cost implications, alignment with strategy and pay-performance linkages; administer (or delegate and oversee the administration of) any equity-based compensation plan established for officers and other designated employees;
- **review and recommend approval annually** of the Compensation Discussion and Analysis disclosure in the Corporation's management information circular (the "**Circular**"), including all other material information regarding compensation and benefit plans (such as employment agreements and long term incentive plan and stock options granted during the most recently completed financial year) to be publicly disclosed, and, as applicable, **review** the selection of a group of peer companies for benchmarking executive compensation;
- **review annually and recommend** to the Board, the disclosure of Non-Executive Directors compensation for inclusion in the Circular;

### ***Succession Planning***

- **develop and review** the succession planning strategies and plans that ensure effective succession of the officers of the Corporation;
- **establish and recommend**, as necessary or appropriate, qualifications for the officers and determine procedures for identifying possible nominees who meet such tailored profile;
- **review** significant changes to the organization's structure as they arise and their impact on the officers' role;

### ***Human Resources Matters***

- **review and approve** any arrangements with officers relating to employment terms, termination, severance, change in control or any similar arrangement;
- **monitor** the Corporation's activities in the Human Resources areas, including health and safety, labor relations and organizational structure;
- **review and recommend** to the Board appointments of officers as required or recommended by the President and CEO;
- **assess** the integrity and contribution of officers in creating a culture of integrity throughout the organization;

### ***Governance Matters***

- **review annually** the Charter of the Committee and the evaluation the Committee's effectiveness in fulfilling its mandate carried out by each director as part of the Annual Board Assessment;
- **perform** such other duties as may from time to time be assigned to the Committee by the Board;

## **V. CHARTER**

The Committee shall review and assess annually, or as otherwise determined by the Committee, the adequacy of this Charter and recommend any changes to the Board for approval.

## **VI. RESOURCES AND AUTHORITY OF THE COMPENSATION COMMITTEE**

The Compensation Committee shall have the resources and authority to discharge its role, duties and responsibilities as it shall determine, including the authority to engage external experts to the extent required.

---

*This Charter was approved on September 29, 2016 and was last reviewed and amended on November 21, 2022.*