

# HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

## MIDLAND EXPLORATION INC.

(the "Corporation")

### 1. COMPOSITION

The Committee shall be comprised of at least two directors as determined by the Board. The members of the Committee shall be independent, within the meaning of 52-110.

The appointment of members to the Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected. If the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue to serve as members until their successors are validly appointed. The Board may appoint a member to fill a vacancy that occurs in the Committee between annual elections of directors.

Unless a chairman is appointed by the Board, the members of the Committee may designate a chairman by a majority vote of all Committee members.

### 2. MEETINGS AND PROCEDURES

The Committee shall meet at least annually, or more frequently if required.

At all meetings of the Committee, every item brought to resolution shall be decided by a majority of the votes cast. In the case of an equality of votes, the chairman shall not be entitled to a second vote.

Quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board.

The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.

Each member (including the chairman of the Committee) is entitled to one vote in Committee proceedings.

The Committee meets as required with the President and Chief Executive Officer of the Corporation to discuss any issue relevant to the execution of its mandate. Furthermore, the Committee has the authority to hire the services of outside advisors, from time to time, when it is necessary to do so for carrying out its mandate.

The Committee shall, at the meeting of the Board following its own meeting, report to the directors on its work, activities and recommendations.

### 3. DUTIES AND RESPONSIBILITIES

The following are the general duties and responsibilities of the Committee:

- (1) to review the compensation policy of the Corporation;
- (2) to review and approve the information that must be disclosed in the management proxy circular with respect to executive compensation;
- (3) to review and approve annually the corporate goals and objectives relevant to the compensation of the President and Chief Executive Officer and other senior executives and to evaluate the President and Chief Executive Officer's performance in light of these corporate goals and objectives and to approve the compensation policy for senior management of the Corporation;
- (4) to initiate a succession planning process for senior management and review such succession planning by senior management on a regular basis including the appointment, training, career management and supervision of senior management;
- (5) to review and ensure compliance of the Corporation's Stock Option Plan in accordance with the terms of such Plan;
- (6) to make recommendations to the Board with respect to the Corporation's incentive compensation and equity-based plans including its Stock Option Plan that are subject to Board approval; and
- (7) to ensure that appropriate policies are in place regarding practices pertaining to human resources management, labour relations, health and safety and monitor the compliance of such policies and practices with the applicable laws and regulations.

APPROVED BY THE CORPORATE GOVERNANCE COMMITTEE ON SEPTEMBER 25, 2012  
APPROVED BY THE BOARD OF DIRECTORS ON DECEMBER 20, 2012

*(S) Gino Roger*

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Gino Roger, Chief Executive Officer

*(S) René Branchaud*

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René Branchaud, Secretary