



COMPENSATION COMMITTEE CHARTER

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I. PURPOSE

The Compensation Committee (the “**Committee**”) is a standing committee appointed by the board of directors (“**Board**”) of Tantalus Systems Holding Inc. (the “**Company**”). The Committee shall assist the Board in discharging the Board’s oversight responsibilities relating to the compensation and retention of key senior management employees, and in particular the Chief Executive Officer of the Company, with the skills and expertise needed to enable the Company to achieve its goals and strategies at a fair and competitive compensation, including appropriate performance incentives.

II. PROCEDURES

1. *Number of Members* – The members of the Committee shall be appointed by the Board. The Committee will be composed of not less than three (3) Board members.
2. *Quorum* – The quorum of the Committee shall be at least two (2) members.
3. *Independence* – The Committee shall be constituted at all times of members who are “independent” within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices (“**NI 58-101**”). The Board will consider all relevant facts and circumstances in making a determination of independence for each director and, as appropriate, impose independence requirements more stringent than those provided for by NI 58-101 to the extent required by Canadian securities laws, including rules and policies promulgated by the TSX Venture Exchange (“**TSXV**”) or Toronto Stock Exchange (“**TSX**”).
4. *Appointment and Replacement of Committee Members* – Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board may fill vacancies on the Committee by appointing another qualified director to the Committee. The Board shall fill any vacancy if the membership of the Committee is less than three (3) directors. Whenever there is a vacancy on the Committee, the remaining members may exercise all of the Committee’s powers as long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be appointed by the Board annually and each member of the Committee shall remain on the Committee until his or her successor shall be duly appointed and qualified or his or her earlier resignation or removal.
5. *Committee Chair* – Unless a Chair of the Committee is designated by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee. The Committee Chair shall be responsible for leadership of the Committee, including preparing the agenda in consultation with other Committee members and members of management, presiding over the meetings, making Committee assignments and reporting to the Board following each meeting and as otherwise necessary or appropriate. If the Committee Chair is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the

Committee to preside at the meeting. The Committee will report through the Committee Chair to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

6. *Conflicts of Interest* – If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of directors, that member shall be responsible for alerting the Committee Chair. If the Committee Chair faces a potential or actual conflict of interest, the Committee Chair shall advise the Chair of the Board. If the Committee Chair, or the Chair of the Board, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee the member’s interest and shall not participate in consideration of the matter and shall not vote on the matter.
7. *Meetings* – The Committee shall meet regularly and as often as it deems necessary to perform the duties described herein in a timely manner, but not less than three (3) times a year. Meetings may be held at any time deemed appropriate by the Committee. The Committee shall maintain written minutes of its meetings, which will be filed with the meeting minutes of the Board.

III. **RESPONSIBILITIES**

1. The Committee shall:
 - a. at least annually, assess the compensation of the directors of the Board and make recommendations to the Board;
 - b. from time to time, as appropriate, review with the chair of the Board and the Chief Executive Officer of the Company the long-term goals and objectives of the Company in relation to compensation;
 - c. from time to time, as appropriate, review and revise the position description of the Chief Executive Officer and review and make recommendations to the Board with respect to the corporate goals and objectives relevant to the compensation of the Chief Executive Officer and evaluate the Chief Executive Officer’s performance in light of those goals and objectives;
 - d. at least annually, review and make recommendations to the Board with respect to the compensation of the Chief Executive Officer and, based on the recommendation of the Chief Executive Officer, the other members of the executive management group, including salary, incentive compensation plans, equity-based plans, the terms of any employment agreements, severance arrangements and change of control arrangements or provisions, and any special or supplemental benefits provided that the Committee will not be required to review or approve annual cash bonuses to employees of the Company other than the executive management group;
 - e. from time to time, as appropriate, review the Company’s policies on salary administration, pay and employment equity, basic incentive and total cash compensation, retirement benefits, and long-term incentives and recommending changes to the Board if appropriate; and
 - f. review management’s policies and practices for ensuring that the Company complies with legal prohibitions, disclosure and other requirements on making or arranging for personal loans and amending or extending any such loans or arrangements.

A. COMPENSATION POLICIES

1. The Committee shall review and recommend to the Board compensation policies and processes and any new incentive compensation and equity compensation plans of the Company or changes to any such plans now or hereafter existing and effective.

B. COMPENSATION CONSULTANTS AND ADVISORS

1. The Committee may retain special legal, accounting, financial or other consultants to advise the Committee at the Company's expense.

C. COMPLIANCE WITH DISCLOSURE REQUIREMENTS

1. The Committee shall annually review and recommend approval to the Board (if deemed advisable) the disclosure of the Company's executive compensation included in the management information circular prepared in connection with the applicable meetings of shareholders, on the Company website and in other public disclosure or communications.

D. GENERAL

1. The Committee shall undertake on behalf of the Board such other compensation initiatives as may be necessary or desirable to contribute to the success of the Company and enhance shareholder value.
2. The Committee shall perform such other functions as required by law, the Company's constituting documents or the Board.

E. EXCEPTIONS

1. The Committee may delegate from time to time to any person or committee any of its responsibilities that may lawfully be delegated, provided that any authority to grant awards under compensation and equity plans may not be delegated to the Company's management or to any other person.

F. THIS CHARTER

The Committee shall review and reassess the adequacy of this Charter at least every three years and/or as required by applicable laws or by the TSXV or TSX. This Charter shall be posted on the Company's website.