

# COMPENSATION COMMITTEE CHARTER

## AVANTE LOGIXX INC. (the “Corporation”)

### ARTICLE 1- ROLE AND MEMBERSHIP

#### 1.1 Role

The Compensation Committee (the “**Committee**”) is a standing committee of the Board of Directors (the “**Board**”) of the Corporation. Its purpose is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation of the Corporation.

#### 1.2 Composition

The Committee shall be comprised of at least two directors. If the Committee is comprised of two directors, neither director shall be an officer or employee of the Corporation or any of its subsidiaries or any affiliate thereof. If the Committee is comprised of three or more directors, the majority of members shall be comprised of directors who are not officers or employees of the Corporation or any of its subsidiaries or any affiliate thereof. Each independent Committee member shall satisfy the independence requirements set out by Section 1.4 of National Instrument 52-110 – *Audit Committees*.

#### 1.3 Appointment

Members of the Committee shall be appointed by the Board. Each member shall serve until his successor is appointed, unless he/she shall resign or be removed by the Board or he/she shall otherwise cease to be a director of the Corporation.

The members of the Committee shall be appointed by the Board based on the recommendations from the Chair of the Board. The members of the Committee shall be appointed for one-year terms and shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

If a vacancy exists on the Committee for which the Board has not appointed a replacement member, the remaining members shall exercise the Committee’s power so long as quorum exists.

#### 1.4 Chair

The Chair of the Committee (the “**Chair**”) may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership. The Chair shall be responsible for the overall leadership of the Committee, including:

- (a) setting an agenda for all meetings of the Committee based on consultation with members of the Committee, the Board and management, as appropriate;
- (b) chairing committee meetings and fostering dialogue among members of the Committee;
- (c) adopting procedures so that the Committee can conduct business and function effectively;
- (d) making arrangements for management, outside advisors and other individuals to attend meetings, as appropriate, in order to assist the Committee to carry out its work;

- (e) ensuring members of the Committee are familiar with their duties and obligations under this Charter;
- (f) promoting honest and ethical decision-making in all aspects of the Committee's business;
- (g) ensuring decisions and actions taken at Committee meetings are reported to the Board; and
- (h) performing any other duties as directed by the Board.

## **ARTICLE 2 - DUTIES AND RESPONSIBILITIES**

### **2.1 Duties and Responsibilities**

The Committee, without limiting these duties and responsibilities, shall:

- (a) review and approve annually the corporate goals and objectives applicable to the compensation of the chief executive officer ("CEO"), evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and make recommendations to the Board with respect to the CEO's compensation level (both cash- and equity-based) based on this evaluation;
- (b) in cooperation with the Corporation's Audit Committee, review and approve annually the corporate goals and objectives applicable to the compensation of the chief financial officer ("CFO"), evaluate at least annually the CFO's performance in light of those goals and objectives, and determine and make recommendations to the Board with respect to the CFO's compensation level (both cash- and equity-based) based on this evaluation;
- (c) review the compensation to be paid to the three highest earning executives (excluding the CEO and CFO), as approved by the CEO or CFO;
- (d) review and make recommendations to the Board regarding incentive compensation plans and equity-based plans, and where appropriate or required, recommend for approval by the shareholders of the Corporation, which includes the ability to adopt, amend and terminate such plans;
- (e) review and discuss with management the Corporation's Statement of Executive Compensation, including the disclosure with respect to compensation paid to the five highest earning executives, to be included in the Corporation's management information circular and any other disclosure with respect to executive compensation to be included in any other public disclosure documents of the Corporation;
- (f) review and make recommendations to the Board regarding any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control, for the CEO and other executive officers, which includes the ability to adopt, amend and terminate such agreements, arrangements or plans;
- (g) determine share ownership guidelines for the CEO and other executive officers and monitor compliance with such guidelines;
- (h) review and make recommendations to the Board regarding all employee benefit plans for the Corporation, which includes the ability to adopt, amend and terminate such plans;
- (i) review the Corporation's incentive compensation policies and practices to determine whether they involve risks that are reasonably likely to have a material adverse effect on

the corporation and to review and discuss, at least annually, the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk;

- (j) develop and recommend to the Board for approval a CEO or officer succession plan (the “**Succession Plan**”), to review the Succession Plan periodically, develop and evaluate potential candidates for CEO or executive positions and recommend to the Board any changes to, and any candidates for succession under, the Succession Plan;
- (k) report to the Board on the activities of the Committee, including any decisions and action taken by the Committee; and
- (l) perform any other activities as are consistent with this Charter, the Corporation’s by-laws, applicable legislation, guidelines and practices as the Committee or the Board deems necessary or appropriate for the fulfilment of the Committee’s duties and responsibilities.

## **2.2 Outside Advisors**

The Committee shall have the authority, in its sole discretion, to engage independent counsel and other advisors as it determines necessary to assist with the execution of its duties and responsibilities as set for in this Charter. The Committee shall set and pay the compensation for any advisor employed by the Committee at the cost of the Corporation without obtaining Board approval.

## **ARTICLE 3 - MEETINGS**

### **3.1 Time and Location**

The Committee shall meet at least three times a year at such times and places as it deems necessary to fulfill its responsibilities. A meeting of the Committee may be convened by the Board or any member of the Committee who requests a meeting. Notice of every meeting shall be given to each member of the Committee. At least 48 hours’ notice of a meeting is required, unless such notice is waived or shortened with the consent of all members of the Committee.

### **3.2 Quorum**

A quorum for decisions of the Committee shall be both Committee members, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other or if there are more than two members of the Committee then shall be a majority of both Committee members, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other.

### **3.3 Agenda**

The Chair shall, in consultation with management, establish the agenda for the meetings and instruct management to ensure that properly prepared materials are circulated to the Committee with sufficient time for study prior to the meeting.

### **3.4 Majority Vote**

At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In case of an equality of votes, the matter will be referred to the Board for decision.

### **3.5 Management**

The Committee may invite such directors, officers and employees of the Corporation to its meetings as it deems appropriate to assist the Committee with the fulfillment of its duties and responsibilities. However, the Committee shall meet regularly without such members present.

### **3.6 Minutes**

At each meeting, the Committee may appoint an individual to act as secretary for the meeting (the "Secretary"). The Secretary shall circulate the minutes of meetings of the Committee to the members of the Committee.

The Committee shall approve and retain minutes of all Committee meetings. The powers of the Committee may be exercised by written resolution signed by a quorum of the members of the Committee.

### **3.7 Summary of Meetings**

The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be retained and made available for examination by the Board upon request of the Board.

## **ARTICLE 4 - DELEGATION OF AUTHORITY**

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

## **ARTICLE 5 - PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties under this charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

