



Rugby Resources Ltd. Compensation Committee Charter

I. PURPOSE

The Compensation Committee of the Board of Directors (the “Committee”) assists the Board of Directors (the “Board”) of Rugby Resources Ltd. (the “Company”) in fulfilling its oversight responsibilities relating to officer and director compensation, succession planning for senior management, development and retention of senior management, and such other duties as directed by the Board.

II. COMMITTEE MEMBERSHIP

1. The Committee shall consist of no fewer than two directors as determined by the Board.
2. Each member of the Committee must (i) be an “independent director,” as such term is defined in Part 2.1 of National Policy 58-201 Corporate Governance Guidelines, and (ii) meet the independence requirements of the TSX Venture Exchange (“TSX-V”).
3. The members and Chairperson of the Committee shall be appointed and may be removed by the Board.

III. CHAIR OF THE COMMITTEE

The Chair of the Committee is responsible for overseeing the Committee in its responsibilities.

The Board, or in the event of its failure to do so, the members of the Committee, must appoint a Chair from among the members of the Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present.

The Chair’s duties and responsibilities include:

1. Presiding at each meeting of the Committee;
2. Setting the frequency and length of each meeting and the agenda of items to be addressed at each meeting, in consultation with the other members of the Committee;
3. Ensuring that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee, as well as each other director, in advance of such meeting;
4. Leading the Committee in discharging each of the tasks assigned to it under the Charter;
and
5. Reporting to the full Board on the activities of the Committee.

IV. EXTERNAL ADVISORS

The Committee has the authority to retain and terminate any consulting firm used to assist in the evaluation of director, chief executive officer or other officer compensation and to retain independent legal or other advisors, in each case as the Committee may deem appropriate, including the authority to approve these firm's fees and other retention terms.

V. RESPONSIBILITIES RELATED TO COMPENSATION

To fulfill its responsibilities, related to compensation the Committee shall:

1. Review and approve the Company's compensation guidelines and structure;
2. Review and approve as considered appropriate the corporate goals and objectives with respect to compensation for the chief executive officer. The Committee will evaluate the individual performance in light of these established goals and objectives and based upon these evaluations shall set their annual compensation, including salary, bonus, incentive and equity compensation. No officer may be present when his or her compensation is considered or determined by the Committee;
3. Review and approve as appropriate the evaluation process and compensation structure for the Company's other officers, including salary, bonus, incentives and equity compensation. The Committee will evaluate their individual performance in light of these established goals and objectives and, based upon their evaluations, shall set their annual compensation;
4. Review the Company's incentive compensation and other equity-based plans and recommend changes in such plans to the Board as needed. The Committee may exercise the authority of the Board with respect to the administration of such plans;
5. Periodically review and make recommendations to the Board regarding the compensation of non-management directors, including board and committee retainers, meeting fees, equity-based compensation, and such other forms of compensation and benefits as the Committee may consider appropriate;
6. Approve the recipients of, and the nature and size of share compensation awards and bonuses granted from time to time, in compliance with applicable securities law, stock exchange and other regulatory requirements;
7. Approve inducement grants, which include grants of options or stock to new employees in connection with a merger or acquisition, as well as any tax-qualified, non-discriminatory employee benefit plans or non-parallel non-qualified plans, to new employees;

8. Oversee the appointment and removal of executive officers. Review and approve for executive officers, including the chief officer, any employment, severance or change in control agreements; and
9. Approve any loans to employees as allowed by law.

VI. GENERAL RESPONSIBILITIES

To fulfill its general responsibilities the Committee shall:

1. Review and reassess the adequacy of this Charter from time to time and propose to the Board any changes to the Charter;
2. Prepare a report of the Committee on executive compensation in accordance with Canadian law;
3. Periodically assess the Committee's performance; and
4. Perform such other functions assigned by law, TSX-V requirements, the Company's Charter or bylaws or the Board.

Adopted: November 29, 2018