

**MINCO SILVER CORPORATION**  
**COMPENSATION COMMITTEE CHARTER**

**Purpose**

The purpose of the Compensation Committee shall be to:

- (a) establish, review and recommend to the Board of Directors of Minco Silver Corporation (the "Company") compensation and incentive plans and programs; and
- (b) review and approve compensation and awards under compensation and incentive plans and programs for the CEO and senior officers;

with the intention of attracting, retaining and appropriately rewarding employees in order to motivate their performance in the achievement of the Company's business objectives and align their interests with the long-term interests of the Company's shareholders.

**Committee Membership**

The members of the Committee shall be appointed by the Board of Directors. The Committee shall be composed of not less than three members of the Board.

The Chairman of the Committee shall be designated by the Board of Directors. Compensation Committee members serve at the pleasure of the Board, and Committee members may be replaced by the Board.

*Independence*

The members of the Compensation Committee must be "independent" of the Company as defined in *National Instrument 58-101 - Disclosure of Corporate Governance Practices*. A Compensation Committee member is independent if he or she has no direct or indirect material relationship with the Company. A "material relationship" includes a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgement.

**Meetings**

The Compensation Committee will meet as often as the Chair shall determine to be necessary or appropriate.

## **Authority and Resources**

The Committee may request any officer or employee of the Company or the Company's legal counsel to attend a Committee meeting. The Committee has the right at any time to obtain advice, reports or opinions from legal counsel and expert advisors and has the authority to hire independent legal, financial and other advisors as it may deem necessary, at the Company's expense, without consulting with, or obtaining approval from, any officer of the Company in advance.

## **Compensation Committee Duties and Responsibilities**

Duties and responsibilities of the Compensation Committee include:

- reviewing and making recommendations to the Board of Directors with respect to the compensation, including compensation criteria and incentives and annual performance review, of the Chief Executive Officer, for final approval by the Board of Directors;
- reviewing and providing guidance to the Board of Directors with respect to the compensation, including compensation criteria and incentives, of the executive officers of the Company, as recommended by the Chief Executive Officer, for final approval by the Board of Directors;
- reviewing and providing guidance to the Board of Directors with respect to the compensation, including compensation criteria and incentives, of the directors of the Company;
- reviewing and making recommendations to the Board of Directors regarding other plans that are proposed for adoption or adopted by the Company for the provision of compensation to employees of, directors of and consultants to the Company;
- advising on the development of management succession plans by the Board;
- preparing an annual report on executive compensation to the shareholders of the Company for the management information circular for the annual and general meeting of the Company's shareholders;
- reviewing and assessing, annually, the Compensation Committee charter and submitting any changes deemed necessary or advisable for approval of the Board of Directors; and
- performing other functions as requested by the Board of Directors.