

# **ORGANIC RESOURCE MANAGEMENT INC. COMPENSATION COMMITTEE - MANDATE**

## **PURPOSE**

The Corporate Governance Committee (the “Committee”) is appointed by the Board of Directors of Organic Resource Management Inc. (the Company). Its primary function is to make recommendations to the Board with respect to the compensation of the directors and executive officers of the Company.

## **CONSTITUTION, COMPOSITION AND DEFINITIONS**

### **1. Reporting**

The Committee shall report to the Board.

### **2. Composition of Committee**

The Committee shall consist of not less than two directors, None of the members of the Compensation Committee can be an officer or an employee of the Company or its subsidiaries. Members of this Committee are chosen annually from independent Directors who have experience in this area.

### **3. Chairman**

The Compensation Committee will recommend an independent Director to act as Chairman of the Committee to the Board for approval. The Board shall appoint the Chairman of the Committee.

### **4. Committee Meetings**

The Committee shall meet at least annually at the call of the Chairman. In addition, a meeting may be called by the Board Chairman, the Chief Executive Officer, or any member of the Committee. Committee meetings may be held in person, by video conference, by means of telephone or by a combination of any of the foregoing.

### **5. Notice of Meeting**

Notice of the time and place of each meeting may be given orally, or in writing, or by facsimile to each member of the Committee at least 48 hours prior to the time fixed for such meeting.

### **6. Attendance at Meetings**

The Chief Executive Officer is expected to be available to attend meetings or portions thereof. The Committee may, by specific invitation, have other resource persons in attendance. The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee. Directors, who are not members of the Committee, may attend Committee meetings, on an ad hoc basis, upon prior consultation and approval by the Committee Chairman or by a majority of the Committee.

## **7. Minutes**

Minutes of Committee meetings shall be sent to all Committee members. The full Board of Directors shall be kept informed of the Committee's activities by a report following each Committee meeting.

## **RESPONSIBILITIES**

- The objective of this Committee is to ensure that compensation packages and employment contracts are designed and implemented to align salaries and benefits with corporate objectives and employee performance. An emphasis on performance based compensation will enable the Company to attract and retain senior experienced people to produce the results our shareholders expect.
- In order to attract and retain talented senior level people to our Company we seek to provide base salaries and incentives that are competitive with those being paid for positions of similar responsibilities at companies the size, revenue base and type of business of Organic Resource Management. Extra consideration is given to people who can add significantly to our growth and visions. Our compensation plan has three main components, base salary, benefits and incentive based stock options.
- The long term component of compensation consists of stock based incentives. The purpose of the stock option plan is to improve the Company's long term financial success by aligning the goals of the directors and employees with those of our shareholders. Subject to the provisions of the stock option plan, this Committee approves those entitled to participate, the number of shares to be granted and under what conditions.

## **Miscellaneous**

- The Committee, upon approval by a majority of its members, may engage outside resources if deemed advisable.
- The duties and responsibilities of a member of the Committee are in addition to those duties set out for a member of the Board of Directors.

*Approved by ORMI Board of Directors February 10, 2006*