



## EUROPEAN GOLDFIELDS LIMITED

### CHARTER OF THE HUMAN CAPITAL MANAGEMENT COMMITTEE OF THE BOARD OF DIRECTORS

#### I. PURPOSE

The Human Capital Management Committee (the “Committee”) is a committee of the board of directors (the “Board of Directors”) of European Goldfields Limited (the “Company”). Its primary function is to assist the Board of Directors in fulfilling its oversight responsibilities including:

- Review and approve and then recommending to the Board of Directors salary, bonus, and other benefits, direct or indirect, and any change control packages of the Chief Executive Officer and other members of the senior management team;
- Recommend salary guidelines to the Board of Directors;
- Administer the Company’s compensation plans, including stock option plans, outside directors compensation plans, and such other compensation plans or structures as are adopted by the Company from time-to-time;
- Research and identify trends in employment benefits; and
- Establish and periodically review the Company’s policies and practices in the area of management benefits and perquisites to ensure that the same are sufficiently competitive to attract and retain key executives and employees.

#### II. COMPOSITION AND MEETINGS

The Committee shall be comprised of three or more Directors as determined by the Board of Directors, all of whom shall be independent directors in accordance with Multilateral Instrument 58-201. A director is considered to be “independent” if he or she has no direct or indirect material relationship which could in the view of the Board of Directors reasonably interfere with the exercise of a director’s independent judgment.

The members of the Committee shall be appointed by the Board of Directors at the annual organizational meeting of the Board of Directors or until their successors are duly appointed and qualified. The Board of Directors may remove a member of the Committee at any time in its sole discretion by resolution of the Board of Directors. Unless a Chairperson is elected by

the full Board of Directors, the members of the Committee may designate a Chairperson by majority vote of the full membership of the Committee.

Each member will have, to the satisfaction of the Board of Directors, sufficient skills and/or experience which are relevant and will be of contribution to carrying out the mandate of the Committee.

The Committee shall meet as frequently as circumstances require. The Committee may ask members of Management or others to attend meetings or to provide information as necessary. In addition, the Committee or, at a minimum, the Chairperson may meet with the Company's external corporate counsel to discuss the Company's policies and practices relevant to the scope of responsibilities of the Committee.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

Meetings of the Committee shall be held from time to time as the Committee or the Chairperson shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Committee.

### **III. RESPONSIBILITIES AND DUTIES**

The responsibilities, duties and powers of the Committee shall include:

1. Create an agenda for the ensuing year to fulfill its mandate.
2. Annually review and revise this Charter as necessary with the approval of the Board of Directors.
3. Provide annual reports to the Board of Directors on compensation matters.
4. Annually review and make recommendations to the Board of Directors upon the recommendation of members of senior management with respect to the Company's overall compensation and benefits philosophies and programs for employees, including base salaries, bonus and any incentive plans, deferred compensation and retirement plans and share purchase or issuance plans including stock options. As part of its review process, the Committee may review peer group and other industry compensation data reported through surveys and other sources.
5. Annually review and approve corporate goals and objectives relevant to the Chief Executive Officer's and evaluating his performance in light of those corporate goals and

objectives. Based on such evaluation, annually reviewing and making recommendations to the Board of Directors with respect to compensation and benefit programs for the Chief Executive Officer including base salaries, bonuses or other performance incentives and stock options. Upon recommendations of the Chief Executive Officer, the Committee will also review and make recommendations to the Board with respect to the compensation of other senior executives. In setting the salary of the Chief Executive Officer and other members of the senior management team, the Committee will take into consideration salaries paid to others in similar positions in the Company's industry.

6. Review and make recommendations to the Board of Directors with respect to the implementation or variation of stock option plans, share purchase plans, restricted share plans, compensation and incentive plans and retirement plans. The number of options, restricted shares or other compensation granted will give consideration to the potential contribution an individual may make to the Company's success.
7. The Committee shall prepare a report on executive compensation on an annual basis in connection with the preparation of the Company's annual information circular or as otherwise required pursuant to applicable securities laws. The Committee is also responsible to review all other executive compensation disclosure before it is filed with regulators and/or made public.
8. The report on executive compensation should be compliant with regulatory form requirements and should describe the process undertaken by the Committee and should speak specifically to the weighting factors and target levels set out in the determination of the executive's compensation. Where there are no clearly pre-established targets or payout ranges, the report on executive compensation should clearly indicate this fact.
9. The Committee is responsible for reviewing and recommending to the Board of Directors the compensation of the Board of Directors including, annual retainer, meeting fees, option grants other share or phantom security grants and other benefits conferred upon the Board of Directors as appropriate.
10. The Committee is responsible for viewing and submitting to the Board of Directors as a whole, recommendations concerning executive compensation and compensation plan matters. Unless such matters are delegated specifically to the Committee, the Committee shall only make recommendations to the Board of Directors for their consideration and approval, if appropriate. The Board of Directors will have the responsibility to instruct management to implement the directives.

**A. Others**

1. The Committee will record minutes of its meetings and report periodically to the Board of Directors.
2. The Committee may from time to time hire and remunerate outside professionals to assist or advise the Committee in carrying out its mandate.

Approved: 15 July 2008

Re-Approved: 10 December 2009, 25 November 2010