



LOOP ENERGY INC.

**GOVERNANCE, HUMAN RESOURCES, NOMINATION AND
COMPENSATION COMMITTEE CHARTER**

DATED NOVEMBER 10, 2021

I. STRUCTURE AND APPOINTMENT OF THE COMMITTEE

1. **Committee Size and Independence.** The Governance, Human Resources, Nomination and Compensation Committee (the “Committee”) of LOOP ENERGY INC. (the “Corporation”) shall be composed of a minimum of three directors, the majority of whom shall be “independent” in accordance with the rules of any stock exchange or securities regulation authority applicable to the Corporation (“Independent”).

2. **Appointment of Members.** The members of the Committee shall be appointed or changed by resolution of the Board of Directors of the Corporation (the “Board”) to hold office from the time of their appointment until the next annual meeting of the shareholders, until their successors are so appointed, or until the member's earlier death, resignation, disqualification or removal. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three directors as a result of the vacancy.

3. **Appointment of Committee Chair.** The Board or, in the event of its failure to do so, the members of the Committee shall appoint a Chair from amongst their number and the Chair shall set the agendas for Committee meetings. The Chair of the Committee shall be Independent. If the Chair of the Committee is not present at any meeting of the Committee, the Chair of the meeting shall be chosen by the Committee from among the members present.

II. DUTIES AND RESPONSIBILITIES

The Committee shall perform the functions customarily performed by governance, human resources, nomination and compensation committees and any other functions assigned by the Board. In particular, the Committee shall have the following duties and responsibilities:

A. CORPORATE GOVERNANCE AND NOMINATION OF DIRECTORS

Board and Committee Composition & Evaluation:

1. **Board Composition.** Review and annually recommend to the Board the size and composition of the Board. Review criteria regarding the composition of the Board and committees of the Board, such as size and proportion of independent directors, set out criteria to determine “relatedness” as well as profile of the Board (age, disciplines, diversity, geographical representation, etc.). Ensure that the Board is comprised of members with the requisite expertise and sufficiently diverse and independent backgrounds to facilitate effective decision-making. Determine whether there is a need for a Lead Independent Director and, if appropriate, annually recommend to the Board a candidate for the position of Lead Independent Director.

2. **Committee & Chair Election, Composition, Charter Review & Compliance.** With respect to all Board Committees:
 - (a) recommend to the Board at the Meeting of Directors immediately prior to each Annual Meeting of the Shareholders the size and allocation of Board members to each of the Board Committees, the member to serve as Chair of each Committee and the Chair of the Board (subject to their election by shareholders). Where a vacancy occurs at any time in the membership of any Board committee, recommend to the Board a member to fill such vacancy;
 - (b) annually review the composition, qualifications and criteria for membership (including rules with respect to independence of committee members) of each committee;
 - (c) annually review the Charters and Charter compliance of the Board Committees and recommend to the Board amendments to the Charters as deemed necessary or advisable;
 - (d) review and recommend any necessary amendments to the Board mandate; and
 - (e) periodically review the position descriptions for the Chair of the Board, the Committee Chairs and the individual directors.

3. **Director Credentials.** Review annually the credentials of director nominees to be named in management's proxy materials for re-election, considering:
 - (a) the independence of each director;
 - (b) their continuing qualification under applicable law;
 - (c) continuing validity of the credentials underlying the appointment of each director; and
 - (d) attendance at meetings and contribution to the conduct of the Board's business.

4. **Board, Committee & Director Effectiveness Evaluation.** Oversee an annual evaluation of the Board, Board Committees and Board members, as well as Board and Committee Chairs. Review criteria for retention of directors unrelated to age or tenure, such as attendance at Board and committee meetings, health or the assumption of responsibilities which are incompatible with effective Board membership. Review the relationship between the Board and management on a regular basis.

Director Tenure, Nomination and Orientation:

5. **Director Tenure.** Review criteria relating to tenure as a director, such as limitations on the number of times a director may stand for re-election, and the continuation of directors in an honorary or similar capacity.

6. **Director Nomination Process.** The Committee shall identify and recommend to the Board: (i) the list of candidates for directors to be nominated for election by shareholders at annual meetings of shareholders; and (ii) candidates to fill

vacancies on the Board occurring between annual meetings of shareholders. The Committee shall conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible director candidates. In that regard, the Committee shall have sole authority to retain and terminate any search firm to be used to assist it in identifying candidates to serve as directors, including sole authority to approve the fees payable to such search firm and other terms of retention.

7. **Director Nomination Criteria.** Establish, in light of the opportunities and risks facing the Corporation, criteria for the selection of new directors to serve on the Board, including the competencies, skills, personal qualities and other criteria necessary in order to add value to the Corporation. In making its recommendations to the Board for any new director nominees, the Committee should consider amongst other relevant considerations that may be identified by the Committee:
 - a) the competencies and skills that the Board as a whole should possess;
 - b) the competencies and skills of each existing director;
 - c) the competencies and skills of each new nominee;
 - d) whether the new nominee can devote sufficient time and resources to his or her duties as a director; and
 - e) the diversity of the board composition, including gender considerations, in accordance with the Corporation's Diversity Policy.
8. **Director Resignations.** Review any director resignation letter tendered and evaluate and recommend to the Board whether such resignation should be accepted including, in accordance with the Corporation's Majority Voting Policy.
9. **Director Removal.** When:
 - a) a director retires, leaves or otherwise changes their employment;
 - b) joins or leaves other boards of directors during their tenure as a director of the Corporation;
 - c) a director is no longer qualified under applicable law;
 - d) a director is in a position of conflict of interest; or
 - e) the credentials underlying the appointment of a director otherwise changes,that director shall advise the Chair of the Committee and the Chair of the Board as soon as possible. In any case, the Committee shall, at its next meeting, consider the event and review the appropriateness of the director's continued service on the board. When continued service does not appear appropriate, the Committee may recommend to the Board that the director be asked to stand down.
10. **Director Orientation.** Oversee new director orientation and continuing education programs as deemed appropriate. Annually review these programs and update them as necessary.

Corporate Governance:

11. **Compliance with Laws.** Ensure corporate compliance with applicable legislation including director and officer compliance.
12. **Amendment to Articles.** Review proposed amendments to the Corporation's articles before making recommendations to the Board.
13. **Corporate Policies.** Review and make recommendations to the Board with respect to Code of Ethics and Business Conduct, Confidential Information and Trading in Securities Policy, Disclosure Policy and Whistleblower Policy.
14. **Compliance with Code of Business Conduct.** Monitor adherence to the Code of Business Conduct and Ethics (the "Code") and review potential situations related thereto brought to the attention of the Committee by the CFO, including to recommend or not, in certain circumstances, to the Board to grant or reject waivers from compliance with the Code. The Committee shall also ensure that when such waivers are granted, the Board shall review whether such waiver should be disclosed in accordance with the Code.
15. **Corporate Governance Best Practices.** Make recommendations to the Board as deemed appropriate in the context of adherence to corporate governance best practices in effect from time to time and generally advise the Board on all other matters of corporate governance.
16. **Annual Disclosure Documents.** Advise the Board on the disclosure to be contained in the Corporation's public disclosure documents, such as the Corporation's Annual Management Proxy Circular, Annual Information Form or Annual Report, on matters of corporate governance as required by any applicable exchange or regulator.
17. **Shareholder Proposals.** Review any shareholder proposals for the Proxy Circular and make appropriate recommendations to the board of directors as to their disposition.

B. APPOINTMENT OF OFFICERS AND EVALUATION OF CEO PERFORMANCE

1. **Officer Appointments.** Consider (including gender considerations, in accordance with the Corporation's Diversity Policy) and recommend for approval by the Board the appointment of the Executive Officers.
2. **CEO Objectives.** Review and recommend to the Board the annual objectives for which the Chief Executive Officer is responsible.

3. **CEO Performance.** Assess and report to the Board on the performance of the CEO, taking into consideration the Corporation's strategic plan and the CEO's:
 - (a) position description;
 - (b) goals and objectives, as approved by the Board;
 - (c) adherence to the policies and principles of the Corporation;
 - (d) efforts to promote a culture of integrity at the Corporation.
4. **CEO Search.** Lead the search process for a new CEO when necessary and recommend potential suitable candidates to the Board.

C. COMPENSATION

1. **Design of Executive Compensation Program.** Oversee and recommend for approval by the Board the executive compensation principles, policies, programs, processes and parameters for grants of equity-based incentives and processes. In considering the appropriate compensation for executives, the Committee will compare periodically the total remuneration and its main components of the Executive Officers with the remuneration practices of a comparator group of companies.
2. **Annual Executive Compensation.** Consider and recommend annually (or as required) for approval by the Board, all forms of compensation for the Executive Officers. The CEO may not be present during voting or deliberations on his or her compensation.
3. **Long Term Incentive Compensation.** Review and recommend to the Board for approval:
 - a. any proposed amendments to the Omnibus Equity Incentive Plan;
 - b. the key employees who should be granted long term incentive awards, the date on which awards will terminate, the number of long term incentive awards provided from time to time to any employee and other terms and conditions of the Omnibus Equity Incentive Plan; and
 - c. the waiver of early termination provisions of the Omnibus Equity Incentive Plan for any Executive Officers who cease employment with the Corporation;

In addition the Committee shall:

- d. review and approve the waiver of early termination provisions of Omnibus Equity Incentive Plan for key employees other than Executive Officers who cease employment with the Corporation; and

- e. administer all other matters related to the Omnibus Equity Incentive Plan to which the Committee has been delegated authority under the terms of such Plan.
4. **All other Employee Compensation.** Review and report annually to the Board on an aggregate basis on the remuneration for all employees other than the Executive Officers, including salary ranges and parameters for short and long term incentives. Review annually the total compensation practices of the Corporation.
 5. **Director Compensation and Share Ownership.** Annually recommend to the Board for approval non-executive director compensation, including share-based awards, and review every two years the basis for director compensation and benefits and the appropriateness of director and/or Executive Officer share ownership requirements. Annually review directors' and officers' share ownership with respect to complying with any director share ownership requirements.
 6. **Special Employment Contracts.** Review and recommend to the Board for approval:
 - (a) all employment contracts for Executive Officers;
 - (b) employment contracts for all other employees where such contracts provide severance or other benefits to such employees in the event of a change in control of the Corporation;
 - (c) any termination agreement, retiring allowance or other type of agreement for any Executive Officer where material benefits are provided above and beyond the terms of such Officer's employment agreement or standard company policy.
 7. **Proxy Review.** Review the "Compensation Discussion & Analysis" and related executive compensation disclosure for inclusion in the Corporation's public disclosure documents, in accordance with applicable rules and regulations.
 8. **Compensation Risk Assessment.** Annually review the Corporation's compensation policies and practices to confirm that they do not encourage inappropriate or excessive risk taking nor are they reasonably likely to have a material adverse effect on the Corporation.
 9. **Pension Plans.** Oversee the implementation and administration of any pension plans and review any proposed major changes in such plans and recommend for approval any change requiring Board action.

D. TALENT MANAGEMENT

1. **Organizational Structure.** Review with the CEO any proposed major changes in organizational structure or personnel.
2. **Executive Team Succession Planning.** Review and report to the Board annually on the plans for the succession of the CEO and other Executive Team members.
3. **Strategic HR Plan.** Annually review the Corporation's Strategic Human Resources Plan, including plans and policies for attracting, developing and motivating employees.

E. OVERSIGHT OF ENVIRONMENTAL, HEALTH AND SAFETY POLICIES

1. Review, monitor, report, and where appropriate, provide recommendations to the Board on policies relating to environmental, social, health and safety, governance and ethics matters.
2. Take steps to resolve failures by any director or Executive Officer to comply with policies relating to environmental, social, health and safety.

III. EVALUATION OF THE COMMITTEE AND REPORT TO BOARD

The Committee shall evaluate and review with the Board, on an annual basis, the performance of the Committee as a whole as well as the performance of each individual member while taking into account: (i) in the case of the Committee as a whole, the present Charter, and (ii) in the case of an individual member, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Committee.

IV. CONSULTATION WITH MANAGEMENT AND OUTSIDE ADVISORS

The Committee will, where appropriate, consult with the CEO in connection with fulfilling its duties under this Charter. The Committee shall have the authority to engage outside counsel and other outside advisors as it deems appropriate to assist the Committee in the performance of its functions. The Corporation shall provide appropriate compensation for such advisors as determined by the Committee. The Committee shall evaluate whether any outside compensation consultant retained or to be retained has any conflict of interest.

V. COMMITTEE CHAIR POSITION DESCRIPTION

The Committee Chair shall be appointed by the Board. The Committee Chair leads the Committee in all aspects of its work and is responsible for effectively managing the affairs of the Committee and ensuring that it is properly organized and functions efficiently. More specifically, the Committee Chair shall:

- A. Provide leadership to enable the Committee to act effectively in carrying out its duties and responsibilities as described elsewhere in this Charter, and as otherwise may be appropriate;
- B. In consultation with the Board Chair, the Lead Director (if applicable), and the CEO, ensure that there is an effective relationship between management and the members of the Committee;
- C. Chair meetings of the Committee;
- D. In consultation with the Board Chair, the Lead Director (if applicable), the Corporate Secretary and the Executive Officers, determine the frequency, dates and locations of meetings of the Committee;
- E. In consultation with the Executive Officers and any person designated by the CEO as responsible for the Corporation's human resources, review the annual work plan and the meeting agendas to ensure all required business is brought before the Committee to enable it to efficiently carry out its duties and responsibilities;
- F. Ensure, in consultation with the Board Chair, that all items requiring the Committee's approval are appropriately tabled;
- G. Ensure the proper flow of information to the Committee and review, with the Executive Officers and the Corporate Secretary, the adequacy and timing of materials in support of management's proposals;
- H. Report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee; and
- I. Carry out any special assignments or any functions as requested by the Board.

VI. PROCEDURES FOR MEETINGS

The Committee shall fix its own procedure at meetings and for the calling of meetings. The Committee will meet as necessary, but no less than two times per year. The Committee shall meet in executive session in the absence of management at each regularly scheduled meeting.

The Committee may invite any directors, officers or employees of the Corporation or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

Ensure that the Board can function independently of management. To this end, arrange for meetings on a regular basis of the independent directors without management or non-independent directors present. In such cases, meetings will be chaired by the Lead Director in the event that the Board Chair is not independent, as determined under applicable laws, rules, regulations and listing requirements.

VII. QUORUM AND VOTING

Unless otherwise determined from time to time by resolution of the Board, two members of the Committee shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by a majority of the votes cast by the Committee members, except where only two members are present, in which case any question shall be decided unanimously.

VIII. SECRETARY

Unless otherwise determined by resolution, the Corporate Secretary of the Corporation or his/her delegate shall be the Secretary of the Committee.

IX. RECORDS AND REPORTING TO BOARD

The Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board as appropriate. Such reports to the Board may be in writing or delivered orally at a meeting of the Board by the Chairman or any other member of the Committee designated by the Committee to make such report.

X. REVIEW OF CHARTER

The Committee will, from time to time, review and assess the adequacy of this Charter and recommend to the Board any proposed changes for consideration. The Board may amend this Charter, as required.

This Charter was adopted by the Board of Loop Energy Inc. on November 10, 2021.