

COMPENSATION COMMITTEE CHARTER
(Adopted by the Board of Directors March 16, 2010)

XINERGY LTD.
(the “Corporation”)

The Compensation Committee (the “**Committee**”) is elected by, and reports to, the Board of Directors of the Corporation (the “**Board**”). Its purpose is to carry out the Board's overall responsibility for (i) executive compensation (including philosophy and programs); (ii) management development and succession; (iii) Board compensation; and (iv) broadly applicable compensation and benefit programs.

The Committee shall have at least three members, and shall be comprised of a majority of independent directors¹. The members of the Committee will be selected by the Board, taking into account prior experience in matters to be considered by the Committee, probable availability at times required for consideration of these matters, and their individual independence and objectivity.

In discharging its responsibilities the Committee shall:

1. review and approve, on an annual basis, the corporate goals and objectives relevant to the CEO's compensation. The Committee shall evaluate, at least once a year, the CEO's performance in light of established goals and objectives and, based on such evaluation, shall determine and approve the CEO's annual compensation, including, as appropriate, salary, bonus, incentive and equity compensation;
2. review and approve on an annual basis the evaluation process and compensation structure for the Corporation's executive officers, including, as appropriate, an annual Executive Salary Administration Program under which the parameters for salary adjustments (at the discretion of the CEO) for officers are established;
3. review and make recommendations to the Board with respect to the adoption, amendment and termination of the Corporation's management incentive-compensation and equity-compensation plans, oversee their administration and discharge any duties imposed on the Committee by any of those plans;
4. assess the competitiveness and appropriateness of the Corporation's policies relating to the compensation of its executive officers;
5. keep abreast of current developments in executive compensation in businesses engaged in similar industries of the Corporation;
6. review management's long-range planning for executive development and succession, and develop a CEO succession plan;
7. approve the Committee's annual report on executive compensation for inclusion in the Corporation's annual proxy circular, in accordance with applicable laws, rules and regulations,

¹ “Independent” member means a member who has no direct or indirect material relationship with the Corporation. A “material relationship” means a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgement.

- and review and approve, prior to publication, the portions of the Corporation's annual proxy circular and other public disclosure which relate to the Corporation's executive compensation;
8. review the general design and make-up of the Corporation's broadly-applicable benefit programs as to their general adequacy, competitiveness, internal equity, and cost effectiveness;
 9. annually review the performance of the Corporation's pension plans, if applicable;
 10. annually review and recommend to the Board a compensation package for members of the Board, the Chair of the Board and those acting as committee chairs that adequately reflect the responsibilities they are assuming. In considering the directors' compensation packages, the Committee may take into consideration the relative responsibilities of directors in serving on the Board and its various committees. The Committee may request that management report to the Committee periodically on the status of the Board's compensation package in relation to other similarly situated companies. The Committee shall review annually any stock ownership guidelines applicable to directors and shall recommend to the Board revisions to any such guidelines as appropriate;
 11. perform other review functions relating to management compensation and human resources policies as the Committee deems appropriate; and
 12. conduct an evaluation of the Committee's performance and charter at least annually, and recommend to the Board such changes to the Committee's charter as the Committee deems appropriate.

The Corporation's Chief Executive Officer and President shall act as management liaison with the Committee.

The Committee has authority to retain compensation, legal, and other advisors, as it deems necessary for the fulfillment of its responsibilities, and approve their fees and other retention terms.

No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present. A majority of the Committee shall constitute a quorum.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among its number. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office. Subject to the above, each member of the Committee shall hold office until the next annual meeting of shareholders after his/her election.

The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend meetings of the Committee and assist in the discussion and consideration of the duties of the Committee, but may not vote and may not be included for purposes of quorum requirements. The Committee shall also meet without management or third parties present.

The Committee shall have the ultimate authority and responsibility to engage and terminate any outside consultant to assist in determining appropriate compensation levels for the CEO or other management and such other matters for which the Committee is responsible and to approve the terms of any such engagement and the fees of any such consultant. In discharging its responsibilities, the Committee shall have full access to any relevant records of the Corporation.

The Board may from time to time designate one of the members of the Committee to be the chair of the Committee.

The time, frequency and place of the meetings of the Committee and the calling of meetings and procedure in all things at such meetings shall be determined by the Committee. The Committee shall keep minutes of its meetings in which shall be recorded all actions taken by it, which minutes shall be available to the Board and provided to each director who so requests. The chair of the Committee shall report on the Committee's activities to the Board at the meeting of the Board next following any meeting of the Committee.

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.