



COMPENSATION COMMITTEE CHARTER

1. PURPOSE

- 1.1 The Compensation Committee (the “**Committee**”) of Killi Ltd. (the “**Corporation**”) is a committee of the Board of Directors (the “**Board**”) whose primary function is to assist the Board in the exercise of their responsibilities as it relates to compensation matters delegated to it by the Board.

2. SIZE, COMPOSITION AND INDEPENDENCE

- 2.1 The Committee shall be comprised of not less than two and no more than five members who are “independent” directors of the Board and who meet the independence standards specified under applicable law, currently being Section 1.4 of National Instrument 52-110 of the Canadian Securities Administrators.
- 2.2 The members of the Committee shall be appointed by the Board and shall serve until their successors are appointed. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies in it, subject to the Committee continuing to satisfy the composition requirements mentioned above. Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be an independent director of the Corporation.
- 2.3 The Board shall designate one member of the Committee as its Chairperson. If a Chairperson of the Committee is not so designated or present at a meeting, the members of the Committee may designate a Chairperson by majority vote of the Committee membership. The Chairperson of the Committee shall generally provide leadership to enhance the effectiveness of the Committee and act as a liaison between the Committee and the Board, as well as between the Committee and the executive management team of the Corporation. The Chairperson manages the Committee’s activities and meetings, manages any outside legal and other advisors retained by the Committee and manage the process of reporting to the Board on the Committee’s activities and related recommendations.
- 2.4 The Committee may retain and compensate such outside compensation, legal and other advisors at the expense of the Corporation, as it deems reasonably necessary to assist and advise the Committee in carrying out the Committee’s duties and responsibilities. The Committee should obtain approval from the Board prior to retaining and, or, compensating any such outside entity.



3. MEETING ADMINISTRATION

- 3.1 The Committee shall meet periodically as required in order to carry out its duties and responsibilities, but shall meet at least annually to address the matters specified in this charter.
- 3.2 Meetings of the Committee may be called by the Chairperson of the Committee, any member of the Committee, Chairperson of the Board, or a member of the Corporation's executive management team. The Committee shall generally hold session without members of the executive team present at each scheduled meeting. Furthermore, members of the Committee shall meet at any other times as the Chairperson of the Committee determines.
- 3.2 Each member of the Committee is expected to use all reasonable efforts to attend at a minimum 75% of all regularly scheduled Committee meetings, except to the extent that any absence is due to a medical or other valid reason(s). Any absences must be reported to the Chairperson of the Committee immediately.
- 3.3 Unless otherwise determined or approved by the majority of the Committee, the Chairperson will provide notice and materials of each meeting of the Committee to its members. Meeting materials must be delivered to Committee members at least a week prior to any scheduled meeting and for ad-hoc meetings as soon as reasonably practical, so that Committee members have sufficient time to review materials and be prepared to perform their duties and responsibilities.
- 3.4 The Committee shall have full access to any officer or other employee of the Corporation, or any representative of the Corporation's legal counsel or other advisors, to attend meetings or to meet with any members or representatives of the Committee in order to perform their duties and responsibilities. In addition the Committee has the right to inspect all applicable books and records of the Corporation and its subsidiaries as it relates to the Committee's mandate.
- 3.5 A majority of the number of appointed Committee members will constitute a quorum for conducting business at a meeting of the Committee. In the event that the Committee only has two members as a result of a vacancy on the Committee, both members shall constitute a quorum.

4. ROLES AND RESPONSIBILITIES

- 4.1 The Committee, through discussions without any formal objectives, criteria or analysis, is responsible for determining all forms of compensation to be granted to the directors of the Company to be recommended to the Board for approval. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and stage of development in



the same industry, and the availability of financial and other resources of the Company.

- 4.2 The Committee is responsible for overseeing the Company's compensation practices and makes compensation-related decisions and recommendations to the Board regarding compensation and equity incentive plans for the employees of the Company. The Company's approach to employee compensation has been to provide suitable compensation for all employees that is internally equitable, externally competitive and reflects individual achievement. The Company seeks to maintain compensation arrangements that will attract and retain highly qualified individuals who are able and capable of carrying out the objectives of the Company.
- 4.3 The Committee is to establish and review the Company's overall compensation philosophy and its general compensation policies with respect to its employees, including the corporate goals and objectives and the annual performance objectives relevant to such employees. The Committee evaluates each employee's performance in light of these goals and objectives and, based on its evaluation, determines and approves the salary, bonus, options, and other benefits. In determining compensation matters, the Committee may consider a number of factors, including the Company's performance, the value of similar incentive awards to officers performing similar functions at comparable companies, the awards given in past years and other factors it considers relevant.

5. REVIEW AND REVISION OF CHARTER

- 5.1 Review annually this charter and recommend to the Board any changes, as deemed necessary.