



**western**  
COPPER AND GOLD

## **COMPENSATION COMMITTEE CHARTER**

### **A. INTRODUCTION AND PURPOSE**

1. Western Copper and Gold Corp.'s (together with its subsidiaries, the "Company") Compensation Committee (the "Committee") is appointed by the Board of Directors to assist the Board in fulfilling its responsibility to shareholders, potential shareholders and the investment community by reviewing and providing recommendations to the Board regarding compensation of the Company's executive officers, employees and directors, succession plans for executive officers, and the Company's overall compensation and benefits policies, plans and programs.
2. The term "compensation" includes salary, incentive and equity compensation, bonuses, severance arrangements and all other compensatory benefits including benefits or rights under the Company's benefit plans.

### **B. COMPOSITION AND COMMITTEE ORGANIZATION**

1. The Committee will be comprised of a minimum of three (3) directors, as determined by the Board, each of whom will meet the independence requirements of the relevant securities exchanges and regulatory agencies as may apply from time to time. Each member will be independent of management and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a committee member.
2. Committee members shall be appointed by the Board at its first meeting following each annual shareholders meeting. If the Committee Chair is not designated by the Board, the members of the Committee may designate a Chair by majority vote of the Committee membership.
3. The primary role of the Chair is managing the affairs of the Committee, including ensuring the Committee is properly organized, functions effectively, and meets its obligations and responsibilities as set out in this charter.
4. The Committee will meet at least twice annually or more frequently as circumstances dictate. Committee meetings may be held in person, by telephone conference or by video conference. A majority of the members of the Committee present in person, by teleconferencing or by videoconferencing will constitute a quorum.
5. The CEO of the Company will be given notice of all meetings, will be provided with all materials provided to Committee members, and will be entitled to attend all Committee meetings. However, the CEO will be absent from the meeting of the Committee at the time of any deliberation or vote with respect to compensation of the CEO.
6. The Committee should meet privately at least annually with management to discuss any matters that the Committee or management believes should be discussed. In addition, a portion of each Committee meeting shall be held, in camera, without any member of management being present.

### **C. POWER AND AUTHORITY**

The Committee shall have:

1. The authority to conduct any investigation appropriate to fulfilling its responsibilities;
2. The right at anytime to retain special legal, compensation or other consultants or experts it deems necessary in the performance of its duties, at a compensation to be determined by the Committee; and
3. Such other powers and duties as may be delegated to it from time to time by the Board.

### **D. DUTIES AND RESPONSIBILITIES - COMPENSATION**

The Committee shall:

1. Establish the succession plan for the Chief Executive Officer (“CEO”) and other executive officers, as applicable, for review with the Board;
2. Review the position description for the CEO;
3. Annually review and approve corporate goals and objectives relevant to the compensation of the CEO and other executive officers and evaluate the CEO and the other executive officers’ performance in light of those goals and objectives;
4. Review current and future compensation for the CEO and other executive officers. In determining future long term incentive compensation of the CEO and other executive officers, the Committee will consider factors it considers appropriate which may include the Company’s performance, relative shareholder return, the value of similar incentive awards at comparable companies and the awards given to the CEO and other executive officers in past years, as well as the desire of the Company to attract and retain qualified persons and to align the interest of management with the interests of the Company and its shareholders. The Committee will make recommendations to the Board with respect to the CEO and other executive officer compensation level based on this evaluation;
5. Review and recommend to the Board compensation to directors for their service on the Board and committees, including incentive compensation plans and equity-based plans;
6. Oversee and monitor overall employee compensation strategies, programs, and benefits;
7. Oversee and make recommendations to the Board with respect to the design, administration and amendment of incentive compensation plans and equity-based plans, including, without limitation, the Company’s stock option plan, and to the extent requested by the Board make recommendations regarding awards to eligible persons, appropriate vesting terms, exercise prices, limitations, restrictions and conditions of any awards;
8. Review and evaluate as directed by the Board, proposed employment agreements, separation and severance terms and other compensatory arrangements for executive officers and make recommendations to the Board relating thereto; and
9. Review and recommend for approval by the Board a report on executive compensation for inclusion in the Company’s information circular for its annual general meeting.

## **E. DUTIES AND RESPONSIBILITIES - GENERAL**

The Committee shall:

1. Review and assess the adequacy of this Charter at least annually and submit it to the Board for approval;
2. Annually prepare and/or review a report to shareholders to be included in the Company's annual information circular as required by applicable securities laws;
3. Annually evaluate the Committee's performance and report its findings to the Board;
4. Maintain minutes of meetings and periodically report to the Board on significant results of the Committee's activities; and
5. Perform any other activities consistent with this Charter, the Company's documents, and governing law, as the Committee or the Board deems necessary or appropriate.