

**NGEx Resources Inc.**

**COMPENSATION COMMITTEE**

The following is a description of the mandate and responsibilities of the Compensation Committee of NGEx Resources Inc. (the "Corporation") as reviewed and mandated by the Board of Directors (the "Board") on May 10, 2005.

The Compensation Committee of the Corporation shall review and recommend to the Board of Directors (the "Board") approval of the Corporation's executive compensation policies and, without limiting the generality of the foregoing, shall be responsible for the following specific matters:

- to annually evaluate the performance of the President and Chief Executive Officer of the Corporation
- to annually review the compensation of the President and Chief Executive Officer of the Corporation, including annual, long-term and other compensation
- to annually review the compensation of senior management, other executive officers and key employees of the Corporation, including annual, long-term and other compensation
- to annually review the compensation of directors in light of risks and responsibilities
- to consider the implementation of short- and long-term incentive plans proposed by management, to make recommendations to the Board with respect to the same and to annually review such plans after their implementation
- to consider the implementation of pension plans proposed by management, to make recommendations to the Board with respect to the same and to annually review such arrangements after their implementation
- to annually review any other benefit plans proposed by management and to make recommendations to the Board with respect to their implementation

The Compensation Committee shall meet as frequently as necessary in order to fulfill the responsibilities described above, and in any event at least annually.

The members of the Compensation Committee shall be appointed by the Board from its members from time to time, provided that the Compensation Committee shall have at least three members, the majority of whom shall be non-management and unrelated directors within the meaning of The TSX Exchange Corporate Governance Guidelines, as amended from time to time.

A quorum for the transaction of business at any meeting of the Compensation Committee shall be two members.