

GOVERNANCE, HSE & COMPENSATION COMMITTEE CHARTER

VERTEX RESOURCE GROUP LTD.

The following is the full text of the Governance, Health, Safety and Environment, and Compensation Committee's (the "**Committee**" or the "**Governance, HSE and Compensation Committee**") charter (the "**Charter**") adopted by the Governance, HSE and Compensation Committee and the Board of Directors (the "**Board**") of Vertex Resource Group Ltd. (the "**Company**") on December 15, 2017.

Mandate

The Governance, HSE and Compensation Committee's primary function is to fulfill its responsibilities by carrying out the activities outlined in this Charter. The Committee is given full access to, and has the authority to engage independent counsel and other advisors, as may be necessary with regard to, the Company's management and management records, as well as employees and external consultants as necessary to carry out these responsibilities. The Committee's primary responsibilities and duties:

With respect to corporate governance:

The primary function of the Committee is to assist the Board with all corporate governance related and nomination matters, with the objective of enhancing the Board's and the Company's effectiveness. Consistent with this function, the Committee will review and report to the Board on matters of corporate governance, and shall provide oversight review of the Company's compliance with legal and regulatory requirements.

With respect to health, safety and environmental matters:

The Committee's primary responsibility is to assist the Board in fulfilling its responsibilities in regards to the establishment of appropriate health, safety and environment policies and procedures. This includes ensuring the safe environment for all employees in which to perform their duties, and monitoring and overseeing the Company's policies and procedures for ensuring compliance by the Company with environmental regulatory requirements.

With respect to compensation:

The primary function of the Committee is to monitor the activities of the Company with respect to retaining and motivating members of the Board, senior management and employees of the Company, while ensuring conformity between compensation and Company objectives. This is to be achieved through:

- i. The development, implementation and assessment of the compensation policy of the Company and by recommending to the Board the

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compensation to be paid to the President and Chief Executive Officer, and the Chief Financial Officer of the Company.

- ii. The oversight of director, officer, and employee remuneration and compensation together with oversight of the evaluation of management.

The Committee will review and modify this mandate with regards to, and to reflect changes in, the business environment, industry standards on corporate governance, health, safety, environmental and compensation matters, additional standards which the Committee believes may be applicable to the Company's business, and the adoption and implementation of applicable laws and policies.

Composition and Terms

- i. The Committee shall be comprised of not less than two members of the Board. The Chairman will be independent and at least one position will be held by the Chairman of the Board.
- ii. Appointment shall typically take place at the first Board meeting held after the date of the annual general meeting with shareholders. The appointed members shall normally hold office until the next annual meeting, or until they are removed by the Board or until their successor is appointed. Members may serve consecutive terms, as is encouraged to ensure continuity of expertise.
- iii. The chairman of the Governance, HSE and Compensation Committee (the "**Chairman**") shall be appointed by the Board. The Chairman may be removed and replaced by the Board at any time.
- iv. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Governance, HSE and Compensation Committee. The Board may remove and replace any member of the Committee.

Meetings

- i. The Committee is required to meet in person or by telephone conference call, at minimum, once per year and will hold meetings as often thereafter as is required in order to discharge the duties of the Board. The meeting will be scheduled to permit timely review of any documents required. The Chairman, any two members of the Committee, or any singular person granted authority to do so by the Committee may call a meeting of the Committee.

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- ii. In normal circumstances, the Chairman appointed by the Board will, in consultation with the Committee members, determine the schedule, time and place of meetings, and in consultation with management, establish the agenda for meetings.
- iii. A quorum for a meeting shall be a majority of the Committee members, in which no less than 2 of 3 members are present in person or by conference call.
- iv. Notice of time and place of a meeting and an agenda and related materials respecting every meeting shall be given in writing or via electronic communication to each member of the Committee at least 48 hours prior to the time listed for such meetings. If the Chairman is not present at any meeting of the Committee, it is the responsibility of the Committee to choose a committee member to preside at the meeting.
- v. The Chief Executive Officer or Chairman shall be available to advise the Committee, shall receive notice of meetings, and may attend meetings of the Committee at the invitation of the Chairman on a non-voting basis.
- vi. Any member of the Committee may waive notice of a meeting by signifying their consent to hold such a meeting. Attendance of a member at a meeting shall constitute waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was now lawfully called.
- vii. The Chairman may invite officers and employees of the Company, as well as external consultants of the Company to attend meetings of the Committee as it may see fit.
- viii. The Committee shall keep accurate minutes of its meetings, which shall be submitted to the Board and distributed to Committee members in addition to the Board and the Chief Executive Officer.
- ix. Decisions of the Committee shall be determined by a majority of the votes cast.

Responsibilities and Duties

The Committee shall update and assess the adequacy of this Charter and the performance of the Governance, HSE and Compensation Committee on an annual basis.

With respect to corporate governance, the Committee shall:

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- i. Assist the Board in the discharge of their duties with respect to developing, adopting and ensuring compliance with the Company's Code of Business Conduct and Ethics, as well as compliance with the governance policies of the Company. The Committee shall also monitor and report to the Board the effectiveness of such policies and procedures of the Company.
- ii. Bring to the attention of, and advise the Board in corporate governance issues as is necessary for the proper governance of the Company, and develop the approach of the Company in matters of corporate governance, including the written statement of corporate governance principles applicable to the Company as set forth in the Company's annual information circular.
- iii. Assist the Board in developing a written Board Mandate for approval by the Board which explicitly acknowledges responsibility for the stewardship of the Company.
- iv. Assess and report to the Board on matters relating to the ongoing composition of the Board including:
 - a. Recommending to the Board criteria for the composition of the Board and the selection of directors. In making its recommendations to the Board for Board nominees, the committee shall consider: (i) the competencies and skills that the current Board composition possess and the additional capabilities the new nominee will bring to the Board; and (ii) whether or not each new nominee can devote sufficient time and resources in order to adequately perform the duties of a Board member.
 - b. Assessing the competencies and skills each existing director possesses, and work upon the continued education of the Company's directors. This includes ensuring any new directors receive a comprehensive orientation and fully understand the role of the Board and its committees, as well as the contribution, including time requirements, individual directors are expected to make.
 - c. Recommend to the Board those directors it considers qualified for appointment to each committee of the Board.
 - d. Oversee the assessment of the Board, its committees, and each individual director in respect to the effectiveness and contribution on an annual basis.

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- e. Recommend Board committees, taking into consideration the need for, and the performance and suitability of those committees, and make such adjustments as are deemed necessary, in conjunction with the relevant committees of the Board.
- f. Considering annually the appropriate size of the Board as a whole, the size of various Board committees and the contribution of individual directors, with a view of facilitating effective and strategic decision making.
- g. Establishing, implementing and executing procedures to evaluate the independence (when applicable), performance and effectiveness of the Board, Board committees, and committee chairs, and based upon this evaluation, recommend to the Board whether such director should be nominated for re-election.
- h. Review and make recommendations to the Board regarding succession planning with respect to directors of the Board, the Chairman and senior management.
- v. Ensure that the Board can function independently of management and ensure that the chairs of the various committees of the Board have unimpeded access to management. This shall include establishing structures and procedures to permit the Board to function independently of management.
- vi. Review and reassess position descriptions for Chairman of the Board and each committee, the President and Chief Executive Officer, Lead Director (if applicable), and directors to ensure they align with the strategic goals of the Company.
- vii. Ensure that the Company has in effect adequate policies and procedures to allow the Company to meet all of its continuous disclosure requirements.
- viii. Prepare and review the annual corporate governance report to be made in the information circular prepared in connection with the annual meeting of shareholders or annual information form, as appropriate, describing the corporate governance practices of the company.
- ix. Develop and monitor the Company's policies relating to the trading in securities of the Company by insiders, as well as communication and confidentiality. While performing this duty, the Company shall ensure

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compliance by the Board and the Company with all applicable securities laws and stock exchange rules.

- x. Perform any other activities as the Committee deems necessary or appropriate.

With respect to health, safety and the environment, the Committee shall:

- i. Review internal control systems for health, safety and the environment and recommend to the Board for approval fundamental policies pertaining to health, safety and environmental matters that have the potential to impact Company activities and strategies.
- ii. Review, investigate and report regularly, and on a timely basis, to the Board on matters coming before the Committee relating to health, safety and environmental policies and activities of the Company for consideration.
- iii. Review, monitor, and report the Company's performance with respect to the health and safety policies and activities ensuring Company compliance with applicable laws, regulations and policies as they relate to the health and safety of the Company's employees in the workplace.
- iv. Review, monitor, and report the Company's performance with respect to environmental policies and activities, ensuring Company compliance with environmental regulations.
- v. Review any health, safety, and environmental compliance issues and incidents of non-compliance including any significant report by regulatory authorities, external health, safety and environmental consultants, or auditors about Company performance in health, safety and environmental matters.
- vi. Review and monitor the Company's progress in taking all necessary corrective action in respect to any incident(s) of health, safety, and environmental legislation or policy non-compliance.
- vii. In the event of the occurrence of a material health, safety or environmental incident, receive and review as soon as reasonably practicable, a report from management detailing the nature of the incident and describing the remedial action being taken.
- viii. Perform any other activities as the Committee deems necessary or appropriate.

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With respect to compensation, the Committee shall:

- i. Review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluating the Chief Executive Officer's performance in light of those goals and objectives, and determining and recommending for approval by the Board the Chief Executive Officer's compensation level based on this evaluation.
- ii. Make recommendations to the Board with respect to senior management and director compensation, incentive-compensation plans and equity-based plans.
- iii. Oversee the Company's stock option plan, and make recommendations to the Board regarding the administration of and the awarding of options to purchase under the stock option plan.
- iv. Review the Company's compensation philosophy and guidelines for executive management, for recommendation to the Board for its consideration and approval.
- v. Review and recommend to the Board any significant changes to the overall compensation program and the Company's objectives related to executive compensation.
- vi. Consider the implications of the risks associated with the Company's compensation policies, including implementing practices to identify and mitigate compensation policies and practices that could encourage senior management to take inappropriate or excessive risks.
- vii. Review and approve, prior to public disclosure, all public disclosure on executive compensation, and review a report on executive officer compensation for inclusion in the Company's information circular and proxy statements.
- viii. As required, retain independent advice with respect to compensation matters and if deemed necessary by the Committee, meet with such advisors.
- ix. Perform any other activities as the Committee deems necessary or appropriate.

Authority

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The Committee has the responsibilities and powers set forth in this Charter. The Committee may:

- i. Engage independent outside counsel and other advisors as it determines necessary to carry out its duties.
- ii. Set and pay the compensation for any advisors employed by the Committee.
- iii. Have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.
- iv. Review the appropriateness and effectiveness of any activity or business practice (including related party transactions), which impact items set forth in this Charter, and all employees shall be required to cooperate with the Committee.