

BSM TECHNOLOGIES INC. (the “Company”)

COMPENSATION, GOVERNANCE & NOMINATING COMMITTEE (the “Committee”)

CHARTER

A. Overview

The Committee was established by the board of directors (the “Board”) of the Company to assist the Board in fulfilling its responsibilities relating to human resources, compensation, governance and to lead the process for identifying, recruiting, appointing, re-appointing and providing ongoing development for directors.’

B. Mandate

1. The Committee shall be responsible for oversight of the Company’s activities related to corporate governance, legal and regulatory compliance, executive compensation, equity incentive plans, Board composition nominations, and other related matters.
2. The Committee shall review and recommend to the Board the establishment and maintenance of appropriate structures, processes and policies required within the Company to address governance practices and maintain compliance with recognized corporate governance requirements and regulations, in particular those set forth in National Instrument 58-101 - Disclosure of Corporate Governance Practices and National Policy 58-201 - Corporate Governance Guidelines of the Canadian Securities Administrators.
3. The Committee shall establish and maintain executive compensation policies for the Company so that such policies provide total compensation which is both motivational and competitive so that it will attract, hold and inspire performance of executive management of a quality and nature that is competitive in the market in accordance with this Charter. The Committee shall also develop and maintain the President and CEO position description. The Committee shall make recommendations to the Board where appropriate in relation to those policies.
4. The Committee shall have primary responsibility to assess the effectiveness of the Board.
5. The Committee shall establish and maintain position descriptions for the Chairman of the Board and the Chair of each of the Board’s committees.
6. The Committee is responsible for identifying candidates for nomination as Board members and for recommending nominees to the Board.
7. The Committee has the authority to engage and direct independent compensation consultants, independent counsel and other advisors as it determines necessary to carry out its duties

C. Composition and Operations

1. Members of the Committee shall be appointed annually by the Board.
2. The Committee shall be composed of not fewer than two directors and not more than five directors.

3. All of the members of the Committee should meet the independence standards specified under applicable law, currently being Section 1.4 of under National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators.
4. The Chair of the Committee must be a Committee member, and shall be appointed annually by the Board.
5. Meetings of the Committee shall be held at such time and on such day as the Chair of the Committee determines.
6. The Committee will meet at least two times per year and as necessary to perform the duties described in this Mandate in a timely manner.
7. The quorum for meetings of the Committee shall be half of the number of Committee members. All decisions of the Committee shall require approval by a majority of the votes cast on the matter. In the event of a tie vote, the chair of the meeting will have a casting vote.
8. Any member of the Committee or a director may call a meeting at any time.
9. Management attendance at meetings of the Committee will be determined by the Committee in consultation with the Chief Executive Officer. The Committee may meet at any time without members of management present.
10. Management may provide members of the Committee with an appropriate information package and agenda in advance of each meeting, as applicable. The Chair of the Committee will determine the information package and agenda requirements for each meeting in discussion with management of the Company, if applicable.
11. A meeting secretary shall be appointed at each meeting by the meeting chair. Written minutes shall be kept for all the meetings of the Committee and shall be reviewed and approved at the next meeting of the Committee. Approved minutes shall be provided to the Corporate Secretary of the Company for inclusion in the record books of the Company.
12. A meeting of the Committee may be held by means of such telephonic, electronic or other communication facilities as to permit all persons participating in the meeting to communicate adequately with each other during the meeting.
13. 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 members. 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 as such until the next annual meeting of shareholders after his or her election.

D. Guiding Principles

1. The Committee must always act honestly and in good faith with a view to the best interests of the Company.
2. The Committee will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, not only in regard to any shareholders of the

Company but also to the creditors of the Company and the interests of persons for whom it acts in a fiduciary capacity.

3. The Committee shall strive to obtain highly qualified candidates to serve as members of the Board. The Committee will seek candidates for nomination that possess the integrity, leadership skills and competency required to direct and oversee the Company's management in the best interests of its shareholders, customers, employees, and other affected parties.

E. Responsibilities

Corporate Governance Matters

1. Review and monitor compliance with corporate governance requirements and guidelines. Follow up on any deficiencies or omissions noted by the members or as reported to them by management or other directors from time to time.
2. Annually review the Board's relationship with management to ensure the Board is able to, and in fact does, function independently of management.
3. On an annual basis review and approve the Company's disclosure policy and code of business conduct and ethics policy, and ensure a process for ensuring adherence and review any contraventions of the policy. Annually review procedures for the review of transactions with related parties.
4. On an annual basis review and approve the Company's policies and procedures in relation to management of privacy issues and compliance with privacy legislation and request from management, from time-to-time, such reports that enable the Committee to determine the extent to which the Company is in compliance with privacy legislation, policies and procedures.
5. Review and approve the request of an individual director to engage independent counsel in appropriate circumstances, at the Company's expense.
6. No less than annually, report to the Board on corporate governance issues and any instances of non-compliance, together with appropriate recommendation.
7. Recommend to the Board any reports on corporate governance that may be required or considered advisable.

Executive Compensation and Related Matters

1. Review and recommend to the Board the employment and appointment of the President and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and the Chief Sales Officer, to establish their compensation and benefit plans, to determine the key provisions of their employment agreements, as well as to determine promotions and to make changes in the level of compensation of incumbent officers.
2. Review and ensure the production of a report on the statement of executive compensation for publication in the annual management information circular, and recommend to the Board for approval.
3. Review the employment, appointment, and compensation of all other senior officers.

4. Review and maintain appropriate position descriptions for the President and Chief Executive Officer and ensure it remains current and accurate.
5. Ensure an annual performance appraisal is completed for the President and Chief Executive Officer and that it is reviewed with him/ her by the Chair of the Board.
6. On an annual basis review the Company's succession plan for the President and Chief Executive Officer and all other executive officers of the Company.
7. The Committee shall, in consultation with the CEO, review the CEO's assessment of the executive management and make recommendations to the Board for its approval:
 - (i) all matters concerning incentive awards, compensation performance targets, perquisites and other remuneration matters with respect to executive management;
 - (ii) benefit and retirement plans applicable to the executive management including levels and types of benefits;
 - (iii) any stock option plan, restricted share unit plan, deferred share unit plan or other similar equity-based plan;
 - (iv) any agreements between the Company and the executive management, including those addressing retirement, termination of employment or other special circumstances (e.g. change of control), as appropriate; and
 - (v) review share ownership and retention guidelines applicable to the Board.
8. The Committee shall, in conjunction with management, administer the stock option plan, the restricted share unit plan, deferred share unit plan and such other similar plans as determined and established by the Board. The Committee shall:
 - (i) review management's recommendations for and, subject to confirmation by the Board, recommend approval to the Board for the granting of awards under such plan to the executive management and other key employees of the Company and its subsidiaries; and
 - (ii) suggest and review any amendments that the Committee considers necessary

Board Nomination and Function Matters

1. Assist the Board by identifying individuals qualified to become members of the Board.
2. Recommend to the Board nominees for election to the Board, considering what competencies, diverse perspectives and skills each nominee will bring to the Board as well as whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.
3. Annually review the directors' compensation program and make any recommendations to the Board for approval.
4. Review, monitor and make recommendations to the Board regarding the orientation and education of directors.

5. Annually review the Company's directors' and officers' third-party liability insurance to ensure adequacy of coverage.
6. Recommend allocation of directors to committees of the Board at least annually; to address initial appointments, replacements or to fill vacancies on the committees.
7. Ensure periodic assessment of the effectiveness of the Board, and of individual members of the Board and the Board's committees.
8. Review and maintain appropriate position descriptions for the Chair of the Board and the Committee Chairs.

General

1. The Committee shall, on a regular basis, satisfy itself the Company's compensation plans are consistent with the Company's business objectives, the sound and prudent management of its operation and adherence with the control processes, and the policies and procedures adopted by the Company.
2. Report to the Board, after each meeting of the Committee, on all transactions and other matters reviewed by the Committee.