

# **ALEXCO RESOURCE CORP.**

(THE "COMPANY")

## **COMPENSATION COMMITTEE CHARTER**

### **GENERAL**

The Compensation Committee, under the supervision of the Board, has overall responsibility for recommending levels of executive compensation that are competitive and motivating in order to attract, hire, retain and inspire the Company's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and other executive officers (collectively, the "**Management**") and certain key employees and non-executive officers below the vice-president level (collectively, the "**Non-Management Officers**") and for recommending compensation for directors.

The term "compensation" shall include salary, bonus, stock options, severance arrangements and other compensatory rights or benefits, direct or indirect, as applicable.

### **COMPOSITION**

The Compensation Committee shall be comprised of a minimum of three (3) members, all of whom shall be "independent" directors as defined in section 1.4 of National Instrument 52-110. Upon resignation of a member of the Compensation Committee, such vacancy shall be filled by appointment by the Board as soon as practical.

### **RESPONSIBILITIES**

Subject to the powers and duties of the Board, the Board hereby delegates to the Compensation Committee the following powers and duties to be performed by the Compensation Committee on behalf of and for the Board.

The Compensation Committee shall:

- (a) review on an annual basis, and from time to time as required, and recommend to the Board for approval the compensation for directors who serve on the Board or its committees;
- (b) review from time to time as required and recommend to the Board for approval as necessary the indemnification policies, and director and officer insurance policy, if any, of the Company;
- (c) review on an annual basis, and from time to time as required, and recommend to the Board for approval as necessary the performance targets and corporate goals relevant to Management compensation, and evaluate the performance of Management based on such goals;
- (d) review and recommend to the Board for approval the proposed appointment of any person to Management;
- (e) approve and appoint as necessary from time to time any person to a Non-Management Officer position;
- (f) review on an annual basis, and from time to time as required, and recommend to the Board for approval the compensation for Management, considering all relevant matters including the goals of the Company and the effectiveness of Management in achieving those goals, the skill, qualifications and level of responsibility of Management, and compensation provided by comparative companies;

- (g) approve, determine and review as necessary from time to time the compensation of Non-Management Officers, considering all relevant matters including the goals of the Company and the effectiveness of such Non-Management Officers in achieving those goals, the skill, qualifications and level of responsibility of the Non-Management Officers, and compensation provided by comparative companies, provided that such approval and determination shall be subject to any applicable Board policies;
- (h) administer the Company's stock option plan, employee benefit plans and other compensatory plans adopted by the Company and review and approve benefits to be granted under such plans to Management, and Non-Management Officers as applicable, in accordance with any guidelines established by the Board;
- (i) with the assistance of Management, monitor trends in compensation of directors and management, review and recommend to the Board for approval as necessary the Company's compensation policies and plans;
- (j) review and recommend to the Board for approval all of the Company's executive compensation disclosure, including compensation philosophy, before it is publicly disclosed;
- (k) review and recommend to the Board for approval all disclosure regarding the Company's stock option plans, employee benefit plans and other compensatory plans adopted by the Company that are submitted for shareholder approval;
- (l) review and approve all reports of the Compensation Committee in preparing the annual information circular, annual information form or other filings required in accordance with relevant securities laws as applicable; and
- (m) conduct an annual assessment of its performance and report the results of such assessment to the Board.

It shall be the general policy of the Company not to grant loans to directors, Management or Non-Management Officers.

The Compensation Committee shall have authority to engage outside consultants to review the Company's compensation program as appropriate.

The Compensation Committee shall conduct a portion of each meeting without the presence of either Management or Non-Management Officers as the Committee deems necessary.

The Compensation Committee shall also have such other powers and duties as are delegated to it by the Board from time to time.

**EFFECTIVE DATE**

This Charter was implemented by the Board effective November 9, 2011.