

**PETROHUNTER ENERGY CORPORATION**  
**COMPENSATION COMMITTEE CHARTER**

**As Adopted on January 22, 2008**

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**I. General**

This Compensation Committee Charter was adopted by the Board of Directors (the “Board”) of PetroHunter Energy Corporation (the “Company”).

This Charter is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company’s Articles of Incorporation and Bylaws, it is not intended to establish by its own force any legally binding obligations.

**II. Mission**

The Compensation Committee is responsible for determining the compensation of the Company's Chief Executive Officer (“CEO”) and approving the compensation structure for senior management. The Committee will produce an annual report on executive compensation for inclusion in the Company's annual proxy statement that complies with the rules and regulations of the Securities and Exchange Commission.

Additionally, the Committee will regularly review the Company’s management resources, succession planning and development activities.

**III. Membership**

The Committee shall consist of three or more directors all of whom in the judgment of the Board of Directors shall be independent in accordance with the rules and regulations promulgated by the exchange on which the Company’s stock is traded. In addition, a person may serve on the Committee only if the Board of Directors determines that he or she (i) is a “Non-employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “1934 Act”), and (ii) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code. Members of the Committee and the Committee

Chair shall be appointed by and may be removed by the Board on the recommendation of the Nominating Committee.

#### **IV. Duties and Responsibilities**

The Committee shall have the following duties and responsibilities:

- Annually review and approve goals and objectives relevant to the Company's CEO and other elected officers' compensation.
- Evaluate the performance of the CEO and other elected officers in light of the approved performance goals and objectives.
- Annually review and determine base salary, incentive compensation and long-term compensation for the CEO and report the Committee's determination to the Board. In determining long-term incentive compensation, the Committee shall consider, among other factors, the Company's performance, relative stockholder return, the value of similar incentive awards to individuals at the CEO position at comparable companies and the awards given to the CEO in past years.
- Annually review and approve base salary, incentive compensation and long-term incentive compensation for senior management.
- Make recommendations to the Board of Directors with respect to new cash-based incentive compensation plans and equity-based compensation plans.
- In consultation with and based upon the advice of outside counsel, monitor the disclosure and prepare an annual report on executive compensation for inclusion in the Company's proxy statement.
- Review executive officer compensation for compliance with Section 16 of the 1934 Act and Section 162(m) of the Internal Revenue Code, as each may be amended from time to time, and any other applicable laws, rules and regulations.
- Annually review employee compensation strategies, benefits and equity programs.
- Review and approve employment agreements, severance arrangements and change in control agreements and provisions when, and if, appropriate, as well as any special supplemental benefits.
- Administer the Company's stock plans.
- Determine and certifies the shares awarded under corporate performance-based plans.
- Grant options and awards under the stock plans.

- Advise on the setting of compensation for senior executives whose compensation is not otherwise set by the Committee.
- Conduct an annual review of the Committee's performance, periodically review the adequacy of the Committee's charter and recommend changes to the Board as needed.
- Regularly report to the Board on the Committee's activities.
- Monitor compliance by officers with our program of required stock ownership.
- Delegate responsibility to subcommittees of the Committee as necessary or appropriate.
- Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

The Committee may, in its sole discretion, employ a compensation consultant to assist in the evaluation of the compensation of the Company's CEO or other elected officers. The Committee shall have the sole authority to approve the fees and other retention terms with respect to such a compensation consultant. The Committee also has the authority as necessary and appropriate, to consult with other outside advisors to assist in its duties to the Company.

## **V. Meetings**

The Compensation Committee shall meet at least four times each year and at such other times as it deems necessary to fulfill its responsibilities.