

MCEWEN MINING INC.

Compensation Committee Charter

1. AUTHORITY

The Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of McEwen Mining Inc. (“**Company**”) is established pursuant to the Company’s Bylaws and Section 7-108-206 of the Colorado Business Corporation Act.

2. PURPOSE OF COMMITTEE

The purpose of the Committee is (i) to perform the functions described below under “Committee Duties and Responsibilities” in order to discharge the Board’s responsibilities relating to compensation of the Company’s executives and (ii) to prepare an annual report on executive compensation for inclusion in the Company’s annual proxy statement or other required filings, in accordance with the applicable rules and regulations of the Securities and Exchange Commission (“**SEC**”).

In pursuing its purpose, the Committee shall ensure that a proper system of long-term and short-term compensation is in place for management, and that compensation plans are appropriate and competitive and properly reflect the objectives and performance of management and the Company.

3. COMMITTEE MEMBERSHIP

The Committee shall be comprised of at least two members of the Board each of whom has been affirmatively determined in the judgment of the Board to qualify as an independent director under the rules of the New York Stock Exchange (“**Independent Director**”), subject to any exceptions contained in such listing standards and rules. Each Committee member must also be a “non-employee director” as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code.

The members of the Committee shall be appointed by the Board and shall serve such term as the Board may determine, or until their earlier resignation, death or removal by the Board. A member shall promptly notify the Committee and the Board in the event the member is no longer an Independent Director and the member shall be removed from the Committee unless the Board determines that an exception to the Independent Director requirement is available with respect to such member’s continued membership on the Committee and that the member’s continued membership on the Committee would be in the Company’s best interest. The Board shall designate the Chairperson of the Committee, provided that if the Board does not so designate a Chairperson, the members of the Committee, by majority vote, may designate a Chairperson.

Any vacancy on the Committee shall be filled by majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy. No member of the Committee shall be removed except by vote of the Board.

4. MEETINGS

The timing and frequency of the Committee meetings will be determined by the Committee; however, the Committee will meet at least once each year. The presence in person or by telephone of a majority of the Committee's members shall constitute a quorum for any meeting of the Committee. All actions of the Committee will require the vote of a majority of its members present at the meeting of the Committee at which a quorum is present and each member of the Committee shall have one vote. The Committee, at its discretion, may ask members of management, the Company's counsel, or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary; provided however, that the Chief Executive Officer may not be present during the Committee's deliberations or voting processes with respect to setting and approving any aspect of the compensation of the Chief Executive Officer. The Committee may meet by telephone, or by videoconference, and may take action by written consent.

5. COMMITTEE DUTIES AND RESPONSIBILITIES

The Committee's duties and responsibilities are to:

- (i) review and approve all aspects of the compensation of the Company's executive officers, including their participation in incentive-compensation plans, performance-based compensation and equity-based compensation plans;
- (ii) review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer and, after an evaluation of the Chief Executive Officer's performance in light of those goals and objectives, and either as a committee or together with the other Independent Directors (as directed by the Board) set the compensation of the Chief Executive Officer based on this evaluation (in determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee should consider, among other factors, the Company's performance and relative shareholder return, the value of similar incentive awards for chief executive officers at comparable companies and the awards given to the Chief Executive Officer in past years);
- (iii) review, and make periodic recommendations to the Board with respect to the compensation of executives other than the Chief Executive Officer, the general compensation, benefits and perquisites policies and practices of the Company, including, without limitation, the Company's incentive-compensation plans and equity-based compensation plans (in circumstances in which equity-based compensation plans are not subject to shareholder approval, such plans shall be subject to Committee approval);
- (iv) review and make recommendations to the Board annually with respect to the compensation of directors, including compensation for committee service;
- (v) produce an annual report on executive compensation for inclusion in the Company's annual proxy statement or other SEC filings in accordance with the

rules and regulations of the SEC, if necessary, and to discuss and/or otherwise assist with the preparation of the Company's specific disclosure under "Compensation Discussion and Analysis" prior to the filing of the Company's annual report with the SEC; and

(vi) report its activities and recommendations to the Board at least once a year.

6. PERFORMANCE EVALUATION

The Committee shall annually compare its performance with the requirements of this charter and set forth its objectives for the next year. Such evaluation shall be reported to the Board in such manner as the Committee from time to time determines.

7. CHARTER REVIEW

The Committee will review and reassess the adequacy of this charter at least once per year and recommend to the Board any changes in this charter considered appropriate by the Committee.

8. SURVEYS AND STUDIES

The Committee may conduct or authorize surveys or studies of matters within the Committee's scope of responsibilities as described above, including, but not limited to, surveys or studies of compensation practices in relevant industries, to maintain the Company's competitiveness and ability to recruit and retain highly qualified personnel, and may retain and terminate, at the expense of the Company, independent counsel or other consultants necessary to assist in any such survey or study. If any compensation consultant or firm is to assist in the evaluation of director, chief executive officer or senior executive compensation, the Committee shall have the sole authority to retain and terminate the compensation consultant or firm and approve such firm or person's fees and other retention terms.

9. OTHER TASKS AND RESPONSIBILITIES

The Committee shall perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.