

MFC BANCORP LTD.
COMPENSATION COMMITTEE CHARTER

(July 12, 2017)

1. PURPOSE

The purpose of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of MFC Bancorp Ltd. (the "Company") is to discharge the responsibilities of the Board relating to compensation of the Company's executive officers and take such other actions within the scope of this Charter as the Committee deems necessary or appropriate.

The Company's compensation policies should be designed to allow the Company to recruit and retain superior talent and create a significant direct relationship between pay and benefit levels and performance. Compensation payable to the Company's executives should provide overall competitive pay and benefit levels, create proper incentives to enhance the value of the Company, and reward superior performance.

The basic responsibility of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that responsibility, the Committee, to the extent it deems necessary or appropriate, shall be entitled to rely on the expertise, skills and knowledge of the Company's management and its outside advisors and auditors and on the integrity and accuracy of the information provided to the Committee by such persons.

2. COMPOSITION

The Committee shall consist of at least three (3) directors as determined by the Board. All members of the Committee will, as determined in the business judgment of the Board, meet the applicable independence requirements of applicable law and the rules of the Securities and Exchange Commission (the "SEC"), including the applicable independence requirements of the *Sarbanes-Oxley Act of 2002*, the applicable Canadian securities commissions and the New York Stock Exchange in effect from time to time (subject to any exceptions allowed by such rules and any waivers granted by such authorities).

The members of the Committee shall be appointed by and serve at the discretion of the Board and shall serve until their successors are appointed. Committee members will be elected annually for a term of one (1) year. Vacancies will be filled by a majority vote of the Board, subject to such new committee members(s) satisfying the independence requirements established by laws and regulations in Canada and the United States. Except as expressly provided in this Charter or the Memorandum and Articles of Association of the Company, the Committee shall fix its own rules of procedure. The Board may remove a member of the Committee at any time in its sole discretion by ordinary resolution of the Board.

3. CHAIRMAN

The Board, or in the event of its failure to do so, the majority of the members of the Committee, must appoint a chairman from the directors of the Committee (the "Chairman"). If the Chairman is not present at any meeting of the Committee, an acting Chairman for the meeting shall be chosen by majority vote of the Committee from among the directors present. In the case of a deadlock on any matter or vote, the Chairman shall refer the matter to the Board. The Committee may appoint a secretary who need not be a director of the Board or Committee.

4. MEETINGS

Unless the Committee or the Board adopts other procedures, the provisions of the Company's charter documents applicable to meetings of the Board will govern meetings of the Committee.

5. MINUTES

Minutes of each meeting will be kept with the regular corporate records.

6. SPECIFIC RESPONSIBILITIES AND DUTIES

The Board delegates to the Committee the express authority to do the following, to the fullest extent permitted by applicable law and the Company's charter documents:

- 6.1 Review, evaluate and make recommendations to the Board with respect to the management's proposals regarding the Company's overall compensation policies.
- 6.2 Review and approve annually the corporate goals and objectives relevant to the compensation of the Chief Executive Officer (the "CEO"), evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation level (including, but not limited to, salary, long and short-term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate) based on this evaluation.
- 6.3 In consultation with the CEO, consider and make recommendations to the Board in connection with the selection, retention and remuneration arrangements for other executive officers and employees with compensation arrangements that meet the requirements for Committee review, and review and make recommendations to the Board regarding compensation plans in which such executive officers and employees are eligible to participate. Such remuneration arrangements can include long and short term incentive plans, retirement plans, deferred compensation plans, equity award plans, change in control or other severance plans, as the Committee deems appropriate.
- 6.4 Make recommendations to the Board with respect to the Company's adoption or amendment of incentive compensation plans and equity based compensation plans, and administer such plans and approve award grants thereunder to eligible persons (other than grants to members of the Board who are not otherwise employed with the Company or any of its subsidiaries, any of which grants shall be determined by the Board).
- 6.5 Except as otherwise determined by the Board, review the other compensation plans of the Company in light of Company and plan objectives, needs, and current benefit levels.
- 6.6 Review and make recommendations to the Board with respect to the compensation for the Board and committee members.
- 6.7 Monitor and make recommendations with respect to succession planning for the CEO and other officers.
- 6.8 Review and discuss with management the Compensation Discussion & Analysis (the "CD&A") to be included in the Company's proxy circular and determine whether to recommend to the Board that the CD&A be included in the Company's proxy circular. Produce an annual report on executive officer compensation for inclusion in the Company's proxy circular as required by applicable securities law.
- 6.9 Annually evaluate the Committee's own performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.
- 6.10 Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. Publish the Charter as required by the rules and regulations of applicable law and as otherwise deemed advisable by the Committee.

- 6.11 Perform any other activities consistent with this Charter, the Company's charter documents and governing law as the Committee or the Board deems necessary or appropriate.
- 6.12 Make recommendations and report to the Board and other Board committees with respect to compensation policy of the Company or any of the foregoing matters.

7. RELIANCE; EXPERTS; COOPERATION

- 7.1 The Committee has the power, in its sole discretion, to select, retain and obtain at the Company's expense the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent counsel and such other advisors and experts as it deems necessary or appropriate to carry out its duties as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of its independent counsel and other advisors and experts. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, independent legal counsel or other advisor to the compensation committee, and the authority granted under this charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.
- 7.2 The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.
- 7.3 The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.
- 7.4 In carrying out its duties, the Committee will act in reliance on management, the independent public accountants, internal auditors, and outside advisors and experts, as it deems necessary or appropriate.
- 7.5 The Committee has the power, in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.
- 7.6 The Committee will have unrestricted access to the advisors and counsel, and anyone else in the Company, and may require any officer or employee of the Company or the Company's outside counsel or independent public accountants to attend a meeting of the Committee or to meet with any members of, or consultants or advisors to, the Committee.