

QUEST CAPITAL CORP.

COMPENSATION COMMITTEE CHARTER

PURPOSE

The Compensation Committee (the "Committee") is established by the Board of Directors (the "Board") of Quest Capital Corporation ("Quest" or the "Company") to assist the Board in fulfilling its responsibilities relating to the compensation of Company personnel. The primary objective of the Committee is to ensure the Company's compensation policies and practices support the successful recruitment, development, and retention of executive talent in order to achieve the Company's business objectives. Among other things, the Committee will establish and administer the Company's policies, programs and procedures for compensating and incentivizing its executive officers.

MEMBERSHIP

The Committee will be comprised of at least three members, all of whom shall be Directors satisfying the independent requirements for Directors. At least one Member will have experience in evaluating and determining compensation levels. Committee members are appointed by the Board on the recommendation of the Corporate Governance Committee and may be replaced by the Board. The Committee will select its own Chairman.

MEETINGS AND PROCEDURE

- (a) The Committee shall meet in person or by conference call as frequently as necessary to carry out its responsibilities under this Charter, but in no event less than once per year.
- (b) The Committee Chair shall be responsible for calling the meetings of the Committee, establishing meeting agenda with input from management and supervising the conduct of the meetings.
- (c) A majority of the Members will constitute a quorum for conducting business at a meeting of the Committee.
- (d) The Committee may request any officer or other employee of the Company, or any representative of the Company's legal counsel or other advisors, to attend a meeting or to meet with any members or representatives of the Committee.

COMMITTEE AUTHORITY

- (a) The Committee has the authority to engage and terminate independent legal, accounting or other advisors or consultants.

- (b) The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultants and to any other advisors employed by the Committee, provided however that such funding will not exceed \$25,000 annually without the prior approval of the Board.
- (c) The Committee will have the authority to engage and terminate compensation consultants to assist in the evaluation of Director or executive officer compensation and, subject to paragraph (b) above, the authority to approve the fees and other retention terms of such compensation consultants.
- (d) The Committee will be entitled to delegate specific, but not all of its responsibilities to a subcommittee of the Compensation Committee, and, to the extent not expressly reserved to the Compensation Committee by the Board or by applicable law, rule or regulation, to any other committee of directors of the Company appointed by it, which may or may not be composed of members of the Compensation Committee.

COMMITTEE DUTIES AND RESPONSIBILITIES

The Committee shall be responsible for matters related to executive compensation and development, and all other equity-based incentive compensation plans. To fulfill its responsibilities, the Committee will:

Reporting

- (e) Prepare any report relating to compensation required by the rules of the Toronto Stock Exchange and the Securities Commissions having jurisdiction over the Company and report regularly on its activities to the Board

Establishment of executive compensation policies and programs

- (f) Review all compensation arrangements for the Chief Executive Officer ("CEO"), Managing Director and other executive officers of the Company, including salaries, bonus, cash-incentive and equity-based incentive compensation, and make recommendations to the Board for their approval.
- (g) Without limiting the foregoing, the Committee will review all proposed employment and retention agreements with any executive officer of the Company, as well as severance agreements that provide benefits in excess of those set forth in any severance and termination plans previously approved by the Committee or the Board.

Review and Approval of Executive Office Compensation

- (h) Review and approval, at least annually, of corporate goals and objectives relevant to the compensation of the CEO, Managing Director and the other executive officers of the Company.
- (i) Evaluation of the performance of the CEO, Managing Director and other executive officers in the light of those corporate goals and objectives and set compensation levels based on those evaluations and any other factors as it deems appropriate.

Ratification of Incentive Compensation Plans by the Board

- (j) Submit to the Board for approval any of the following:
 - (i) cash incentive compensation and equity based incentive plans of the Company; and
 - (ii) all other equity-based plans of the Company that require the approval of shareholders or otherwise required by law.

Performance Reviews

- (k) Conduct performance reviews, including an annual evaluation of the CEO's and Managing Director's performance. which the Committee Chair will deliver to the CEO and the Managing Director.
- (l) Review Director compensation levels and practices, and recommend, from time to time, changes in such compensation levels and practices to the Board.

Loans to Directors

- (m) Monitor compliance with any legal requirements relating to the granting of loans by the Company to Directors or senior management of the Company.

Whistle-Blowing Procedures

- (n) Adopt the whistle-blowing procedures established by the Company's Audit Committee pursuant to the Audit Committee Charter, for the confidential, anonymous reporting of any complaint or potential violation of law regarding the compensation of the Company's executive officers and employees.

Other duties and responsibilities

- (o) Perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

The responsibilities and duties set forth above are meant to serve as a guide, with the understanding that the Committee may diverge from the specific duties enumerated as necessary or appropriate given the circumstances.

PUBLIC DISCLOSURE OF CHARTER

This Charter will be made available on the Company's web-site at www.questcapcorp.com and to any shareholder who otherwise requests a copy.