

ELDORADO GOLD CORPORATION

COMPENSATION COMMITTEE

TERMS OF REFERENCE

The Board of Directors (the “**Board**”) of Eldorado Gold Corporation (the “**Company**”) has established the Compensation Committee (the “**Committee**”) of the Board and approved these Terms of Reference which set out the roles, responsibilities, composition, functions and other matters concerning the Committee.

I. ROLE

The role of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to human resources and compensation policies and practices with an emphasis on executive compensation, and the development, retention and continuity of the Company’s senior management (“**Management**”).

II. RESPONSIBILITIES

The Committee will have the following duties and responsibilities:

Compensation Philosophy and Objectives

- (i) Review, on an annual basis, Management’s proposals regarding overall employee compensation philosophy, policies and practices, both domestic and international, including the objectives of any compensation program or strategy or element thereof in relation to the alignment thereof with the Company’s overall business, strategic plans and risks.
- (ii) Make recommendations to the Board with respect to the Company’s overall compensation philosophy, policies and practices, and oversee Management’s development of such compensation policies and practices.

CEO and Senior Executive Compensation

- (i) Review and approve, on an annual basis at the beginning of each year, the Chief Executive Officer’s and Managements’ performance goals and objectives.
- (ii) Review and make recommendations to the Board for approval, on an annual basis, of the Terms of Reference and the compensation arrangements for the Chief Executive Officer of the Company.

- (iii) Assess and report to the Board on the performance of the Chief Executive Officer at the end of each year, as measured against the performance objectives established at the beginning of that year.
- (iv) Review, on an annual basis, and recommend for approval by the Board the compensation to be paid to the Chief Executive Officer of the Company based on the evaluation of the Chief Executive Officer's performance.
- (v) Assess and report to the Board on the Chief Executive Officer's recommendations regarding the performance of Management at the end of each year as measured against the performance goals and objectives established at the beginning of that year.
- (vi) Review and make recommendations for approval by the Board, on an annual basis, for Managements' compensation based on the Chief Executive Officer's recommendations, and an evaluation of the performance of each member of Management.
- (vii) Duly consider whether the compensation policies for the Chief Executive Officer and Management:
 - a) Adequately take into account the associated risks in the area of compensation;
 - b) Properly reflect their respective duties and responsibilities;
 - c) Are designed to be competitive in attracting, retaining and appropriately motivating senior management personnel of high quality;
 - d) Are considered against market compensation data for similar roles and levels of responsibility within the Company's industry peer group so as to offer a competitive compensation package that appropriately rewards accomplishment and results through an overall remuneration package;
 - e) Align the interests of the Chief Executive Officer and Management with the shareholders to maximize shareholder value;
 - f) Are based on established corporate and individual performance objectives; and

- g) Are consistent with the terms of any applicable executive employment contracts.
- (viii) In the event of a material restatement to the Company's financial statements where the error in the original results may have resulted in the overpayment of incentive compensation to Management, review the compensation payment(s) and investigate, as appropriate, and make recommendations to the Board with respect to the application of the Company's Executive Compensation Recovery Policy.

Equity Compensation Plans

- (i) Review on a periodic basis the overall design and terms and conditions of the Company's incentive compensation plans and equity compensation plans and any benefit or compensation plan the Company may subsequently chose to adopt.
- (ii) Liaise with the Corporate Governance and Nominating Committee with respect to any proposed changes or amendments to any equity or incentive compensation plan and make such recommendations as the committee may consider appropriate thereto for approval by the Board.
- (iii) Administer such of the Company's equity and incentive compensation plans as may be required under the terms thereof.
- (iv) Review and approve the Chief Executive Officer's recommendations for equity compensation grants to employees, consultant and advisors.
- (v) Review and make recommendations for approval by the Board of the Chief Executive Officer's recommendations for equity compensation grants to officers and directors of the Company.
- (vi) Review and make recommendations for approval by the Board for equity compensation grants to the Chief Executive Officer.
- (vii) Review and make recommendations for approval by the Board on performance objectives and award levels for other participants in the Company's Short Term Incentive Plan (the "**STIP**").
- (viii) Review and make recommendations for approval by the Board on Management's recommendations for awards measured

against objectives determined at the beginning of each year of the STIP.

- (ix) Review and make recommendations for approval of the Board on performance objectives and award levels for participants in the Performance Share Unit Plan (the “**PSU Plan**”).
- (x) Review and make recommendations for approval by the Board on Management’s recommendations for awards under the PSU Plan measured against performance objectives as previously determined.

Director Compensation

- (i) Make recommendations to the Board with respect to director compensation.
- (ii) Duly consider whether the compensation arrangements for the independent directors is comparable with the Company’s peer group companies and make recommendations to the Board for amendments to such arrangements when warranted so that compensation:
 - a) Takes into account the associated risks in the area of compensation;
 - b) Properly reflects the respective duties and responsibilities of independent directors;
 - c) Is designed to be competitive in attracting, retaining and appropriately motivating directors of the highest quality;
 - d) Is competitive and appropriately rewards the independent directors as an overall remuneration package; and
 - e) Aligns the interests of the independent directors with the shareholders to maximize shareholder value.

Public Disclosure and Reporting

- (i) Report to the Board on the Committee’s activities on a regular and timely basis.
- (ii) Prepare or cause to be prepared any executive and director compensation disclosure required under applicable securities legislation, including the Compensation Discussion & Analysis

included in the Company's Information Circular for its Annual Meeting; and

- (iii) Review and make recommendations for approval of the Board with respect to the public disclosure(s) outlined above.

Shareholder Engagement

- (i) Review the results of the annual Say on Pay advisory vote when considering future executive and director compensation programs.
- (ii) Determine where there is a need to engage with shareholders on compensation and related matters and conduct such engagement in coordination with Management, as appropriate.

General

- (i) Oversee compensation arrangements with respect to the succession plans for the Chief Executive Officer and other Executive Management of the Company.
- (ii) Review and make recommendations for approval of the Board with respect to any material changes in the Company's pension plans.
- (iii) Oversee the management of the Company' pension plans;
- (iv) Periodically review the Company's management organizational structure and any proposals made by the Chief Executive Officer with respect to changes thereto and the compensation consequences thereof.
- (v) Oversee the establishment and periodic review of the composition of a peer group of comparable companies and target competitive positioning of the Company within that group for executive compensation purposes.
- (vi) Review and make recommendations for approval of the Board with respect to retirement, change in control, retention, severance or other special arrangements as the Committee may consider appropriate.
- (vii) Direct and oversee the investigation into any matter brought to the Committee's attention within the scope of its duties.

- (viii) Perform such other duties as may be assigned to the Committee by the Board from time to time or as may be required by applicable law or any regulatory authority.

III. COMPOSITION

- (i) On the recommendation of the Corporate Governance and Nominating Committee, the Board will annually appoint not fewer than three (3) directors to form the Committee, all of whom shall be “independent” within the meaning of applicable securities legislation and stock exchange listing rules.
- (ii) The Board may, at any time, remove or replace a director or appoint additional directors to fill any vacancy on the Committee or to increase or decrease the size of the Committee. A director will serve on the Committee until the termination of the appointment, until a successor is appointed, until such person ceases to be a director of the Company.

IV. MEETINGS AND OTHER PROCEDURES

- (i) The Committee shall meet as often as it considers necessary and, subject to the terms hereof and applicable law, otherwise establish its procedures and govern itself as the members may see fit in order to carry out and fulfill its duties and responsibilities hereunder.
- (ii) Meetings of the Committee may be called by any member of the Committee, the Chief Executive Officer or the Corporate Secretary to be held at such time and place as the person calling the meeting may so determine. Not less than twenty-four (24) hours advance notice of each meeting shall be given orally or in writing personally delivered or by facsimile or electronic mail together with an agenda to each member except that no notice of a meeting shall be necessary if all members are present at any meeting agree to waive notice, and those absent waive notice in writing or otherwise signify their consent to the holding of such meeting.
- (iii) A majority of members of the Committee will constitute a quorum (provided that a quorum shall not be less than two (2) members). Decisions of the Committee will be by an affirmative vote of the majority of those members of the Committee voting at a meeting. In the event of an equality of votes, the Chair of the Committee (the “**Chair**”) will not have a casting or deciding vote. The Committee may also act by resolution in writing signed by all the members of the Committee.

- (iv) The Board, or failing that, the Committee itself, shall select one of its members to act as the Chair (or in his or her absence, an alternate Chair).
- (v) The Committee shall keep or cause to be kept minutes or other records of its meetings and proceedings and provide such records to the Company as the Committee may so determine.
- (vi) Any member may participate in a meeting by conference telephone or other communications equipment by means of which all persons participating in the meeting can adequately communicate with each other, and a member participating in a meeting pursuant to this section shall be deemed for purposes of the *Canada Business Corporations Act* to be present in person at the meeting.
- (vii) The Company shall provide the Committee with such resources, personnel and authority as the Committee may require in order to properly carry out and discharge its roles and responsibilities hereunder.
- (viii) The Committee may invite Management, directors, employees or other persons as it sees fit from time to time to attend its meetings and assist thereat provided, however, that only members of the Committee may participate in the deliberation, and vote on any matter to be decided by the Committee.
- (ix) The Committee and its members shall have access to such documents or records of the Company and to such officers, employees or advisors of the Company or require their attendance at any meeting of the Committee, all as the Committee or the members thereof may consider necessary in order to fulfill and discharge their responsibilities hereunder.
- (x) Subject to any limitation under applicable law, these Terms of Reference or direction of the Board, the Committee may delegate to a subcommittee or individual member of the Committee any of its duties or responsibilities hereunder.
- (xi) The Committee may from time to time authorize any member or members or any other director or officer of the Company to certify or to execute and deliver, for or on behalf of the Committee any such report, statement, certificate or other document or to do such acts or things as the Committee may consider necessary or desirable in order to discharge its duties and responsibilities hereunder.

V. OTHER MATTERS

- (i) The Committee as a whole, or each member of the Committee individually, may engage outside advisors, including compensation consultants and legal counsel, at the Company's expense that the Committee or such member determines are necessary in order to assist in fulfilling their respective responsibilities. The terms of engagement and payment by the Company for the services to any such advisor are subject to the approval of the Chair of the Committee.
- (ii) The Committee may select such outside compensation consultants after taking into consideration all factors relevant to such advisors' independence from Management of the Company including the factors set forth in Section 303A.05(c)(iv) of the NYSE Listed Company Manual.
- (iii) If the Committee determines that the work performed by the any advisor retained by the Committee has raised any conflict of interest, the Committee shall disclose to the Board the nature of such conflict of interest and a recommendation or the actions or steps taken to address such conflict.
- (iv) The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any outside compensation consultant or advisor retained by the Committee.
- (v) In connection with their service on the Committee, the members shall be entitled to such remuneration, payment or reimbursement of such incidental expenses and indemnification, on such terms as the Board may so determine from time to time.
- (vi) The Corporate Governance and Nominating Committee of the Board and the Committee itself shall, not less frequently than annually, assess, based on such factors as they may consider appropriate, the effectiveness of the Committee and the members of the Committee, in accordance with these Terms of Reference and report such assessments to the Corporate Governance and Nominating Committee, or the Board, as appropriate.
- (vii) The Committee shall review and assess the adequacy of these Terms of Reference on a regular basis and consider whether these Terms of Reference appropriately address the matters that are or should be within its scope and, where appropriate, make recommendations to the Board or Corporate Governance and

Nominating Committee for the alteration, modification or amendment hereof.

- (viii) These Terms of Reference may, at any time, and from time to time, be altered, modified or amended in such manner as may be approved by the Board.

VI. RESPONSIBILITIES AND DUTIES OF THE CHAIR

The Chair shall have the following responsibilities and duties.

- (i) Chair meetings of the Committee.
- (ii) In consultation with the Board Chair and the Corporate Secretary, determine the frequency, dates and locations of meetings of the Committee.
- (iii) In consultation with the Company's Chief Executive Officer, Vice President, Human Resources, Corporate Secretary and others as required, review the annual work plan and the meeting agendas to ensure all required business is brought before the Committee.
- (iv) In consultation with the Board Chair, ensure that all items requiring the Committee's approval are appropriately tabled.
- (v) Report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee.
- (vi) Carry out any other or special assignments or any functions as may be requested by the Board.

VII. LIMITATIONS ON THE COMMITTEE'S DUTIES

Nothing in these Terms of Reference is intended or may be construed as imposing on any member of the Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law. These Terms of Reference are not intended to change or interpret the constating documents of the Company or any federal, provincial, state or exchange law, regulation or rule to which the Company is subject, and these Terms of Reference should be interpreted in a manner consistent with all such applicable laws, regulations and rules. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil

liability to shareholders, competitors, employees or other persons, or to any other liability whatsoever.

Any action that may or is to be taken by the Committee may, to the extent permitted by law or regulation, be taken directly by the Board.

VIII. APPROVAL

Approved by the Board of Directors February 23, 2017.