

## Hyperdynamics Corporation

### COMPENSATION, NOMINATING, AND CORPORATE GOVERNANCE COMMITTEE CHARTER

(Approved September 9, 2015)

#### I. ORGANIZATION

This charter (“Charter”) governs the operations of the Compensation, Nominating, and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Hyperdynamics Corporation (the “Company”). This Charter sets forth the responsibilities of the Committee with respect to nominating and corporate governance matters, and the Committee’s authority and responsibility for approving and evaluating executive officer compensation arrangements.

#### II. PURPOSE AND AUTHORITY

The Committee shall provide assistance to the Board by:

- (a) Identifying individuals qualified to become directors and selecting, or recommending that the Board select, the candidates for all directorships to be filled by the Board or by the shareholders;
- (b) Developing and recommending to the Board a set of corporate governance principles applicable to the Company;
- (c) Overseeing the evaluation of the Board and management; and
- (d) Discharging the Board’s responsibilities with respect to all forms of compensation of the Company’s executive officers and producing a report on executive compensation for inclusion in the Company’s proxy statement if required by SEC rules.

#### III. INDEPENDENCE, COMPOSITION, AND QUALIFICATIONS

- (a) Composition
  - (i) The Committee shall consist of not less than three independent directors. The number of directors constituting the Committee, and those serving on the Committee (its “Members”), shall be determined annually by the Board. Members shall serve during their respective terms as directors, subject to earlier removal by the Board.
  - (ii) Each Member of the Committee must be:
    - 1. an “independent director,” as defined under 17 C.F.R. § 240.10C-1(b)(1);

2. a “non-employee director,” as defined in Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); and
3. an “outside director,” as defined under Section 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended.

(b) Appointment

- (i) The Members of the Committee shall be appointed by the Board and shall serve until such Member’s successor is duly elected and qualified or until such Member’s earlier resignation or removal. The Members of the Committee may be removed, with or without cause, by a majority vote of the Board.

(c) Chairman

- (i) Unless a Chairman is elected by the full Board, the Members of the Committee shall designate a Chairman by majority vote of the full Committee membership. The Chairman shall be entitled to cast a vote to resolve any ties. The Chairman will chair all regular sessions of the Committee and set the agendas for Committee meetings.

(d) Delegation to Subcommittees

- (i) In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

#### **IV. MEETINGS**

The Committee shall meet at least once annually, or more frequently as circumstances dictate, and may call special meetings when necessary.. The Chairman of the Board or any Member of the Committee may call meetings of the Committee. All meetings of the Committee may be held telephonically. Meetings may be conducted on reasonable notice to the Committee Members, at a mutually agreed location or by telephone conference call, as deemed appropriate by the Committee Chairman. Attendance by a majority of Members shall constitute a quorum for the transaction of business at any meeting. The Committee shall maintain written minutes of its meetings; the Committee also may act by unanimous written consent in lieu of a meeting.

All non-management directors that are not Members of the Committee may attend meetings of the Committee but may not vote. Additionally, the Committee may invite to its meetings any director, management of the Company, independent auditors and corporate counsel and other consultants and advisors, and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

## V. RESPONSIBILITIES AND AUTHORITY

The following functions shall be the principal responsibilities and authority of the Committee. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section II of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and shall have the sole authority to retain and terminate outside counsel or other experts for this purpose, including the authority to approve the fees payable to such counsel or experts and any other terms of retention. The Committee also shall have sole authority to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as directors of the Company, including sole authority to approve the fees payable to such search firm and any other terms of retention.

### (a) Board Selection, Composition and Evaluation

- (i) Identify individuals believed to be qualified as candidates to serve on the Board consistent with criteria established by the Board, and select, or recommend that the Board select, the candidates for all directorships to be filled by the Board or by the shareholders at an annual or special meeting. In identifying candidates for membership on the Board, the Committee shall take into account all factors it considers appropriate, which may include (a) ensuring that the Board, as a whole, is diverse and consists of individuals with various and relevant career experience, relevant technical skills, industry knowledge and experience, financial expertise (including expertise that could qualify a director as a “financial expert,” as that term is defined by the rules of the SEC), local or community ties and (b) minimum individual qualifications, including strength of character, mature judgment, familiarity with the Company’s business and industry, independence of thought and an ability to work collegially. The Committee also may consider the extent to which the candidate would fill a present need on the Board. Review and make recommendations to the full Board, or determine, whether members of the Board should stand for re-election. Consider matters relating to the retirement of members of the Board, including term limits or age limits.
- (ii) Evaluate candidates for nomination to the Board, including those recommended by shareholders.
- (iii) Consider questions of independence and possible conflicts of interest of members of the Board and executive officers, and whether a candidate has special interests or a specific agenda that would impair his or her ability to effectively represent the interests of all shareholders.
- (iv) Review and make recommendations, as the Committee deems appropriate, regarding the composition and size of the Board in order to ensure the

Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds.

- (v) Oversee evaluation of the Board and management.

(b) Committee Selection and Composition

- (i) Recommend members of the Board to serve on the committees of the Board, giving consideration to the criteria for service on each committee as set forth in the charter for such committee, as well as to any other factors the Committee deems relevant, and where appropriate, make recommendations regarding the removal of any member of any committee.
- (ii) Recommend members of the Board to serve as the Chair of the committees of the Board.
- (iii) Establish, monitor and recommend the purpose, structure and operations of the various committees of the Board, the qualifications and criteria for membership on each committee of the Board and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the committees and impose any term limitations of service on any committee of the Board.
- (iv) Periodically review the charter and composition of each committee of the Board and make recommendations to the Board for the creation of additional committees or the elimination of committees of the Board.

(c) Corporate Governance

- (i) Review the adequacy of the certificate of incorporation and by-laws of the Company and recommend to the Board, as conditions dictate, that it propose amendments to the certificate of incorporation and by-laws for consideration by the shareholders.
- (ii) Develop and recommend to the Board a set of corporate governance principles and keep abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the Board in light of such developments as may be appropriate.

(d) Compensation

- (i) The Committee will have the authority to determine the form and amount of compensation to be paid or awarded to each executive officer of the Company.
- (ii) Recommend to the Board the compensation and benefits of the non-employee directors, based on criteria set forth in the Company's Corporate Governance Guidelines and such other considerations as the Committee deems appropriate. In addition, the Committee, in its sole discretion, may

award additional compensation and benefits to its chairperson and to the chairpersons of other committees of the Board, in view of the additional time and effort the chairpersons are required to expend in performing their additional duties as chairpersons.

- (iii) The Committee will have the sole authority and right to retain and terminate compensation consultants, legal counsel and other advisors of its choosing to assist the Committee in connection with its functions. The Committee shall have the sole authority to approve the fees and other retention terms of such advisors at the expense of the Company and not at the expense of the Members of the Committee.
- (iv) Annually review and approve the corporate goals and objectives relevant to the compensation of the Chief Executive Officer (“CEO”) and evaluate the CEO performance in light of these goals and objectives. Based on this evaluation, the Committee will make and annually review decisions respecting (a) salary paid to the CEO, (b) all cash-based bonuses and equity compensation paid to the CEO, (c) entering into, amending or extending any employment contract or similar arrangement with the CEO, (d) any CEO severance or change in control arrangement, and (e) any other CEO compensation matters as from time to time directed by the Committee or the Board. In determining the long-term incentive component of the CEO’s compensation, the Committee will consider the Company’s performance and relative shareholder return, the value of similar incentive awards to chief executive officers at companies that the Committee determines comparable based on factors it selects, and the incentive awards given to the Company’s CEO in prior years.
- (v) Annually review and approve the corporate goals and objectives relevant to the compensation of other executive officers. In light of these goals and objectives, the Committee will make and annually review decisions respecting (a) salary paid to the executive officers, (b) all cash-based bonuses and equity compensation paid to the executive officers, (c) entering into, amending or extending any employment contract or similar arrangement with one or more executive officers, (d) executive officers’ severance or change in control arrangements, and (e) any other executive officer compensation matters as from time to time directed by the Committee or the Board. In determining the long-term incentive component of the executive officers’ compensation, the Committee will consider the Company’s performance and relative shareholder return, the value of similar incentive awards to executive officers at similar companies.
- (vi) Meet with the CEO at least once in each fiscal year to discuss the incentive compensation programs to be in effect for the Company’s executive officers for such fiscal year and the corporate goals and objectives relevant to those programs.

- (vii) Prepare an annual report to the stockholders, for inclusion in the Company's annual proxy statement, in accordance with the rules and regulations of the SEC.
  - (viii) Prepare the disclosure required by Item 407(e)(5) of Regulation S-K.
- (e) Reports
- (i) Report regularly to the Board (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities and (iii) with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chairman or any other Member of the Committee designated by the Committee to make such report.
  - (ii) Review this Charter annually and recommend to the Board any changes it deems appropriate.
  - (iii) At least annually review and assess its performance and submit a report on its performance to the Board.
  - (iv) Maintain minutes or other records of meetings and activities of the Committee.

## **VI. FUNDING**

The Company shall issue payments as directed by the Committee of compensation to the outside legal, accounting and other advisors retained by the Committee in its discretion pursuant to this Charter.