

Synergy Resources Corporation Compensation Committee Charter

Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) is to discharge the responsibilities of the Board relating to compensation of the officers of Synergy Resources Corporation (the “Company”). The Committee shall have overall responsibility for approving and evaluating officer compensation plans, policies and programs of the Company.

Committee Structure

The Committee shall be composed of three or more directors, as determined by the Board, each of whom shall meet the independence requirements of the NYSE MKT. To qualify as independent, the Board must affirmatively determine that each member of the Committee is independent after considering all factors specifically relevant to determining whether the director has a relationship to the Company which is material to that director’s ability to be independent from management in connection with the duties of a Committee member, including, but not limited to (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company. In addition, each member of the Committee shall qualify as (1) a “non-employee director,” as that term is defined in Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and (2) an “outside director,” as that term is defined in Section 162(m) of the Internal Revenue Code of 1986, as amended. The Board may, at any time and in its complete discretion, replace a Committee member.

Meetings

The Committee may hold such meetings as are necessary or appropriate in order for the Committee to fulfill its responsibilities. When appropriate, the Committee may meet in separate, private sessions with management, employees, the internal auditor, if applicable, and the independent auditor to discuss matters that the Committee or the other groups believe warrant Committee attention. The Committee may require any Company officer or employee or the Company’s outside counsel or external auditor to attend a Committee meeting or to meet with any members of, or consultants to, the Committee, and to provide pertinent information as necessary.

The Committee shall maintain minutes and other relevant documentation of all its meetings.

Advisors and Funding

The Committee shall have the authority to engage legal counsel, compensation consultants and other advisors as it deems necessary to carry out its duties. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such consultant or adviser. The Company shall provide appropriate funding, as determined by the Committee, to compensate any such consultants or advisors, and to pay ordinary Committee administrative expenses that are necessary and appropriate in carrying out its duties. In selecting any such consultant or adviser, the Committee shall take into consideration all relevant factors including, to the extent required, those factors set forth in NYSE MKT Rule 804(c)(4).

Committee Authority and Responsibilities

Compensation Matters

- The Committee shall develop the Company's executive compensation philosophy and establish and annually review and approve policies regarding executive compensation programs and practices.
- The Committee shall determine, or make a recommendation to the Board to determine, the compensation of the Company's Chief Executive Officer and other officers (as defined in Rule 16a-1 under the Exchange Act). No officer may be present during Committee deliberations regarding his or her compensation.
- The Committee shall establish and administer annual and long-term incentive compensation plans for key executives.
- The Committee shall recommend to the Board for its approval and, where appropriate, submission to the Company's shareholders, incentive compensation plans and equity-based plans.
- The Committee shall review, evaluate and make recommendations to the Board with respect to the approval of officers' employment agreements, severance arrangements and any change-in-control agreements and change-in-control provisions affecting any elements of such officers' compensation and benefits.
- The Committee shall annually review executive stock ownership and compliance with stock ownership guidelines.
- The Committee shall review management's recommendations for other nonexecutive corporate incentive plans and annually review plan goals and results.

Management Selection and Succession

- The Committee shall determine procedures for selection of the Chief Executive Officer.
- The Committee shall determine procedures for Board review of, and for communicating such review to, the Chief Executive Officer and other members of senior management.
- The Committee shall develop and maintain, in consultation with the Chair of the Board and the Chief Executive Officer, a short-term succession plan for unexpected situations affecting the Chief Executive Officer and other members of senior management.

General

- The Committee shall prepare the report on executive compensation required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.
- The Committee shall report regularly to the full Board regarding its activities.