

**COMPENSATION COMMITTEE CHARTER  
OF  
GULF RESOURCES, INC.**

**薪酬委员会章程**

**海湾资源公司**

The Compensation Committee of the Board of Directors (the “Board”) of Gulf Resources, Inc. (the “Company”) shall consist of a minimum of three directors, each of which shall meet the independence requirements and standards established from time to time by the Securities and Exchange Commission (the “SEC”) and any such securities exchange on which the Company’s securities are listed or quoted for trading, or which directors shall constitute the majority of the directors of the Board meeting the independence requirements and standards established from time to time by the SEC and any such securities exchange on which the Company’s securities are listed or quoted for trading. If deemed appropriate, each member shall meet the definition of “non-employee director” under Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. The Board shall appoint the members of the Compensation Committee annually, considering the views of the Chairman of the Board. The members of the Compensation Committee shall serve until their successors are appointed and qualify. Unless a chair is elected by the Board, the members of the Committee may designate a chair by vote of the Compensation Committee. The Board shall have the power at any time to remove members of the Compensation Committee and to fill vacancies in it, subject to such new member(s) satisfying the above requirements. The Compensation Committee shall meet at least once a year.

海湾资源公司(以下简称“本公司”)董事会下薪酬委员会应由最少三位董事组成，每一位成员应符合美国证券交易委员会(以下简称“证交会”)及本公司挂牌交易的交易所随时建立的独立性规定与标准，或者其过半数的董事应具备证交会及任何公司挂牌交易的交易所随时建立的独立性规定与标准。如有必要，每一位成员应符合 1934 年证券交易法第 16b-3 规定及其后修订所定义的“非员工董事”及 1986 年国内收入法第 162(m)项及其后修订所指的“外部董事”。董事会应考量董事长意见，每年指派薪酬委员会成员。薪酬委员会成员应执行业务直到新成员被指派并确认资格符合。除非董事会另有选任薪酬委员会主席，该主席得由薪酬委员会成员自行投票决定。董事会有权随时解任薪酬委员会成员并重新指派以填补空缺，但前提是新指派的成员亦须符合前述资格条件。薪酬委员会应至少每年举行会议一次。

The purpose of the Compensation Committee shall be to assist the Board in determining the compensation of the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and other officers of the Company (collectively, the “Officers”).

薪酬委员会系为了协助董事会决定执行长、财务长及其它公司经理人(以下总称“经理人”)的薪酬而设立。

In furtherance of this purpose, the Compensation Committee shall have the following authority and responsibilities:

为了实现前述目的，薪酬委员会应有下列权限及责任：

1. Annually review the Company’s corporate goals and objectives relevant to the Officers’ compensation; evaluate the Officers’ performance in light of such goals and objectives; and, either as a Compensation Committee together with the other independent directors (as directed by the Board), determine and approve the Officers’ compensation level based on this evaluation. In determining the long-term incentive component of the Officers’ compensation, the Compensation Committee will consider the Company’s performance, the value of similar incentive awards to the Officers at comparable companies, and the awards given to the Company’s Officers in past years.

年度审查本公司的目标及经理人薪酬有关的工作目标，依公司目标与经理人工作目标原则评估经理人的绩效并且一则由薪酬委员会或者与其它独立董事(以董事会指定)共同，依前述评故决定并许可经理人的薪酬层级。在决定对经理人的长期诱因时，薪酬委员会将考量本公司的绩效、相似公司对其经理人类似的奖励及本公司过去数年对经理人给的奖励。

2. Annually review and make recommendations to the Board with respect to non-CEO and non-CFO compensation. The Compensation Committee shall attempt to ensure that the Company’s compensation program is effective in attracting and retaining key employees, reinforces business strategies and objectives for enhanced stockholder value, and is administered in a fair and equitable manner consistent with established policies and guidelines.

就非执行长及非财务长的经理人薪酬进行年度审核及建议。薪酬委员会应尽力确保本公司的薪酬制度对吸引及留住重点员工是有效的、为增加股东权益而加强业务策略及客观性，并且以符合公司政策及规章，公正及平等的态度，执行薪酬制度。

3. Administer the Company’s incentive-compensation plans and equity-based plans, insofar as provided therein.

依本公司目前现有的激励性薪酬计划及股权做基础的新薪酬计划执行。

4. Make recommendations to the Board regarding approval, disapproval, modification, or termination of existing or proposed employee benefit plans.

就现职或可能的员工福利计划的核准、不核准、修订或终止向董事会提出建议。

5. Approve any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory requirement, or otherwise determined to be appropriate or desirable by the Compensation Committee or Board.

为遵循税法、证券法或其它相关法规规定或者依薪酬委员会董事会认为适切或具吸引力，而核准股票选择权奖励或其它类型的奖励。

6. Review and assess the adequacy of this charter annually.

年度性审核并评估本章成的适足性。

7. Prepare a report on executive compensation as required to be included in the Company's proxy statement or annual report on Form 10-K or equivalent, filed with the SEC.

准备须包含在本公司的委托书内，或 Form 10-K 年报或其它相等的证交会申报内的执行薪酬报告。

The Compensation Committee shall have the authority to delegate any of its responsibilities to subcommittees as it may deem appropriate in its sole discretion. The Chief Executive Officer of the Company may not be present during voting or deliberations of the Compensation Committee with respect to his compensation.

薪酬委员会得自行决定依其认定合适的情形下，将其责任授权于子委员会。本公司执行长不得在就其薪酬投票或评议时在场。

Notwithstanding anything to the contrary in this charter, if permitted by applicable SEC and stock exchange laws and regulations in effect from time to time, one director who (i) is not independent as defined under applicable stock exchange rules, and (ii) is not a current employee or an immediate family member (as defined under applicable stock exchange rules) of such employee, may be appointed to the Compensation Committee if the Board, under exceptional and limited circumstances, determines that membership on the Compensation Committee by the individual is required in the best interests of the Company and its stockholders. In such event, the Board will disclose in the Company's next annual proxy statement (or in its next annual report on SEC Form 10-K or equivalent if the Company does not file an annual proxy statement),

subsequent to such determination, the nature of that director's relationship with the Company and the reasons for that determination. A member appointed under this exception may not serve longer than two years.

不论本章程是否有其它相反规定，如证交会及交易所相关法律或随时生效的规定允许，在例外及有限制的情形下，董事会得为了本公司及股东的最大利益，指派(i)不符合证交会及交易所相关法规定义具独立性，及(ii)并非现任公司雇员或其直系亲属的一位董事，成为薪酬委员会成员。如有前述情形，董事会将在下一年度的委托书(或如本公司不会申报年度委托书的情形下，于下一次的证交会 Form 10-K 年报或与此相等的报告)中陈述这位董事与公司的关系及做这项决定的理由。依本例外指派的成员任期不得超过 2 年。

The Compensation Committee shall have the authority to retain outside counsel and any other advisors as it may deem appropriate in its sole discretion. The Compensation Committee shall have sole authority to approve related fees and retention terms.

薪酬委员会应有权自行决定于其认为适切时，聘雇外部顾问及任何其它顾问。

The Compensation Committee shall report its actions and recommendations to the Board after each committee meeting. The Compensation Committee shall annually review its own performance

薪酬委员会应在每次会议后向董事会报告其采取的行动及建议。薪酬委员会应年度审查自己的绩效。

Adopted: June 22, 2009