

## BOARD CHARTER

### 1. PURPOSE

The Board of Directors of the Company (the “Board”) has the responsibility for the stewardship of the Company and to oversee the conduct of the business of the Company. The Board’s fundamental objectives are to enhance and preserve long-term shareholder value, ensuring that the Company meets its obligations on an ongoing basis and that the Company operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests of its other stakeholders, such as employees and the communities and the environment in which it operates. In overseeing the conduct of the business, the Board, through the Chief Executive Officer of the Company (the “CEO”), shall set the standards of conduct for the organization.

### 2. COMPOSITION

- 2.1 Directors are elected annually at the Company’s annual meeting of shareholders and must meet the requirements of applicable corporate laws and securities laws, rules, regulations and guidelines of all applicable securities regulatory authorities and stock exchanges on which the Company’s securities are listed, including the TSX Venture Exchange (collectively, “**Applicable Laws**”).
- 2.2 The Company should strive to have a majority of directors who are “independent” as defined by National Instrument 58-101 – Disclosure of Corporate Governance Practices (“NI 58-101”) Additionally, the Company should strive to have a Chair of the Board (the “Chair”) who is an independent director as defined by NI 58-101. Where the Chair is not independent, the Board may consider designating an independent director to act as “lead director”.
- 2.3 The Corporate Secretary of the Company (the “Secretary”) will be secretary of all meetings and will maintain minutes of all meetings and deliberations of the Board. In the absence of the Secretary at any meeting, the Committee will appoint another person who may, but need not, be a member of the Board (the “Member”).

### 3. MEETINGS

- 3.1 Meetings will be scheduled, on at least a quarterly basis, to facilitate the Board carrying out its responsibilities. Additional meetings will be held as deemed necessary.
- 3.2 At least twenty-four (24) hours notice of each meeting will be given to Members orally, by telephone, by facsimile or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference or video call.
- 3.3 The quorum for meetings of the Board shall be a majority of directors.
- 3.4 Each Member is expected to attend all meetings of the Board, unless adequate notification of absence is provided, and is expected to have reviewed all materials provided in connection with a meeting in advance of such meeting and be prepared to discuss such materials at the meeting. Management is expected to provide the necessary documents to the Board within a reasonable time in advance of the meeting to allow for Board review.
- 3.5 The non-executive directors shall meet, without members of management, at each Board meeting.

#### 4. DUTIES AND RESPONSIBILITIES

The Board discharges its responsibility for overseeing the management of the Company's business by delegating to the Company's senior officers the responsibility for day-to-day management of the Company. The Board also discharges its responsibilities, both directly and indirectly, through its Board committees ("Committees"). In addition to its Committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. In addition to the Board's primary roles of overseeing corporate performance and providing quality, depth and continuity of management to meet the Company's strategic objectives, principal duties include the following:

##### 4.1 Legal Requirements

- (a) The Board has the statutory duty to manage or supervise the management of the business and affairs of the Company.
- (b) A director of the Company, when exercising the powers and performing the functions of a director, has the statutory duty to:
  - (i) act honestly and in good faith with a view to the best interests of the Company;
  - (ii) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances; and
  - (iii) act in accordance with the Business Corporations Act (British Columbia) and the regulations thereto, as well as the Company's constating documents.

##### 4.2 Overseeing Management

- (a) The Board has the responsibility for approving the appointment of the CEO and all other senior management and approving their compensation, following a review of the recommendations of the Compensation Committee. To the extent feasible, the Board shall satisfy itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Company.
- (b) The Board, from time to time, delegates to senior management the authority to enter into certain types of transactions, including financial transactions, subject to specified limits. Investments and other expenditures above the specified limits and material transactions outside the ordinary course of business are reviewed by and subject to the prior approval of the Board.
- (c) The Board ensures that succession planning programs are in place, including programs to appoint, train, develop and monitor senior management.

##### 4.3 Board Organization

- (a) The Board will respond to recommendations received from the Corporate Governance Committee and the Compensation Committee but retains the responsibility for managing its own affairs by giving its approval for its composition and size, the selection of the Chair and any Co-Chair(s) or lead director of the Board, candidates nominated for election to the Board, Committee and Committee chair appointments, Committee charters and director compensation.
- (b) The Board may delegate to its Committees matters it is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, and health, safety and environmental policies, but the board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

#### 4.4 Strategic Planning and Risk Management

- (a) The Board has the responsibility to ensure that the Company has long-term goals and a strategic planning process in place and to work with management, directly or through its Committees, in developing and approving the defined processes by which the Company proposes to achieve its goals, taking into account, among other things, the changing opportunities and risks of the Company's business.
- (b) The Board has responsibility for the identification of the principal risks of the Company's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Company.

#### 4.5 Monitoring of Financial Performance and Other Financial Reporting Matters

- (a) The Board is responsible for approving the audited financial statements, interim financial statements and the notes and management's discussion and analysis accompanying such financial statements.
- (b) The Board is responsible for reviewing and approving the Company's annual budget, if any, presented by management.
- (c) The Board is responsible for reviewing and approving material transactions outside the ordinary course of business and those matters which the Board is required to approve under the Company's governing statute, including the payment of dividends, issuance, purchase and redemptions of securities, acquisitions and dispositions of material capital assets and material capital expenditures.
- (d) The Board is responsible, directly and through the Audit Committee, for assessing the integrity of internal control over financial reporting and management information systems.

#### 4.6 Policies, Procedures and Compliance

- (a) The Board is responsible for:
  - (i) developing the Company's approach to corporate governance, including approving and monitoring compliance with all significant policies and procedures related to corporate governance; and
  - (ii) approving policies and procedures designed to ensure that the Company operates at all times within Applicable Laws.
- (b) The Board shall ensure the Company sets high environmental standards in its operations and is in compliance with environmental laws and legislation.
- (c) The Board, in consultation with the Health, Safety and Sustainability Committee, shall ensure the Company has in place appropriate programs and policies for the health, safety and security of its employees and the workplace.

#### 4.7 Communications and Reporting

- (a) The Board is responsible for adopting a disclosure policy for the Company and for ensuring that the Company has in place effective communication processes with shareholders and other stakeholders and with financial, regulatory and other institutions.
- (b) The Board shall approve the content of the Company's major communications to shareholders and the investing public, including the interim and annual financial statements and management's discussion and analysis, the management information circular, and any annual information form or any prospectuses which may be filed by the Company.

- 
- (c) The Board is responsible for overseeing the Company's financial reporting and disclosure obligations in accordance with Applicable Laws, including:
- (i) overseeing the accurate reporting of the financial performance of the Company to shareholders, other security holders and regulators on a timely and regular basis and in accordance with Applicable Laws;
  - (ii) overseeing that the financial results are reported fairly and in accordance with generally accepted accounting standards and Applicable Laws; and
  - (iii) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Company.

#### **4.8 Orientation and Continuing Education**

- (a) The Board is responsible for:
- (i) ensuring that all directors receive a comprehensive orientation program so that all new directors understand the nature and operations of the Company's business and the role of the Board and its Committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Company expects from its directors); and
  - (ii) providing continuing education opportunities for all directors so that individual directors may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Company's business remains current.

#### **4.9 Nomination of Directors**

- (a) In connection with the nomination or appointment of individuals as directors, the Board is responsible for:
- (i) considering what competencies and skills the Board, as a whole, should possess;
  - (ii) assessing what competencies and skills each existing director possesses; and
  - (iii) considering the appropriate size of the Board, with a view to facilitating effective decision making.
- (b) In carrying out each of these responsibilities, the Board will consider the advice and input of the Corporate Governance Committee.

### **5. BOARD EVALUATION**

**5.1** The Company should endeavor to conduct assessments of the Board, its Committees and each individual director annually regarding its or his or her effectiveness and contribution. All assessments should include:

- (a) in the case of the Board or a Committee of the Board, its performance in light of the Board's or the Committee's mandate or charter; and
- (b) in the case of an individual director, the competencies and skills each individual director is expected to bring to the Board.

### **6. BOARD CHAIR**

#### **6.1 Appointment of the Chair**

The Chair shall be appointed annually by the Board and shall have such skills and abilities appropriate to the appointment of the Chair as shall be determined by the Board. Where a vacancy occurs at any time

in the position of the Chair, it shall be filled by the Board. The Board may remove and replace the Chair at any time.

## 6.2 Duties

The Chair, with the assistance of the Lead Director (if one is appointed from time to time), is accountable to the Board and shall have the duties of a Member as set out in Applicable Laws and in the Company's constituting documents. The Chair, with the assistance of the Lead Director (if one is appointed from time to time), is responsible for the management, development and effective performance of the Board and leads the Board to ensure that it fulfills its duties as required by Applicable Laws. In particular, the Chair (or Lead Director) shall:

- (a) organize the Board to function independently of management;
- (b) promote ethical and responsible decision making, appropriate oversight of management and best practices in corporate governance;
- (c) ensure the Board has the opportunity to meet without members of management present on an as-needed basis;
- (d) determine, in consultation with the Board and management, the time and places of the meetings of the Board and of the annual meeting of shareholders;
- (e) manage the affairs of the Board, including ensuring that the Board is organized properly, functions effectively and meets its obligations and responsibilities;
- (f) co-ordinate with management to ensure that matters to be considered by the Board are properly presented and given the appropriate opportunity for discussion;
- (g) provide advice, counsel and mentorship to other Members, the CEO and other senior officers;
- (h) preside as chair of each meeting of the Board;
- (i) preside as chair of each meeting of the shareholders of the Company;
- (j) communicate with all Members to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Board and its Committees as well as to keep Members up to date on all major developments concerning the Company; and
- (k) ensure the Company, and where appropriate the Board, is adequately represented at official functions and meetings with major shareholder groups, other stakeholders, financial analysts, media and the investment community.

In addition, the Lead Director, if one is appointed from time to time, will be responsible for the following:

- (a) reviewing items of importance for consideration by the independent directors and setting the agenda for in camera sessions of the independent directors;
- (b) presiding over meetings of the directors at which the Chair is not present and in camera sessions of the independent directors, and apprising the Chair of the issues considered;
- (c) encouraging free and open discussion at in camera sessions of the independent directors;
- (d) serving as liaison between the independent directors and the Chair;
- (e) being available for consultation and direct communication with the Company's shareholders as appropriate;

- (f) together with the Chair of the Board and the Chair of the Corporate Governance and Nominating Committee, providing feedback to directors regarding their performance; and
- (g) performing such other duties as the Board may delegate to the Lead Director from time to time.

## **7. COMMITTEE CHAIRS**

### **7.1 Appointment**

The chair of each Committee shall be appointed annually by the Board. Where a vacancy occurs at any time in the position of a Committee chair, it shall be filled by the Board. The Board may remove and replace a Committee chair at any time.

### **7.2 Duties**

- (a) The chair of a Committee shall lead and oversee the Committee to ensure it fulfills its mandate. In particular, the Committee chair shall:
  - (b) organize the Committee to function independently of management;
  - (c) ensure that the Committee has an opportunity to meet on an as-needed basis without members of management present;
  - (d) determine, in consultation with the Committee and management, the time and places of the meetings of the Committee;
  - (e) manage the affairs of the Committee, including ensuring that the Committee is organized properly, functions effectively and meets its obligations and responsibilities;
  - (f) co-ordinate with management to ensure that matters to be considered by the Committee are properly presented and given the appropriate opportunity for discussion;
  - (g) provide advice and counsel to the CEO and other senior officers in the areas covered by the Committee's mandate;
  - (h) preside as chair of each meeting of the Committee; and
  - (i) communicate with all members of the Committee to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Committee.

Original approval date: March 8, 2018

Approved by: Board of Directors

## FORWARD AGENDA - BOARD OF DIRECTORS

AGENDA ITEM	Q1	Q2	Q3	Q4
<b>BOARD OF DIRECTORS</b>				
Approve YE financials, MD&A and YE news release	√			
Approve Q1 financial statements, MD&A and Q1 news release		√		
Approve Q2 financial statements, MD&A and Q2 news release			√	
Approve Q3 financial statements, MD&A and Q3 news release				√
Review performance of Board	√			
Approve AIF				
Approve Information Circular and other proxy solicitation materials		√		
Review procedures for monitoring and managing business risks	√	√	√	√
Set/confirm dates for regular board meetings and AGM	√	√	√	√
Review and approve strategy and long-term plan	√			
Approve auditor and set fees	√			
Independent directors meet in the absence of management	√	√	√	√
Review and approve next year's operating budget and plan for next two years				√
Review and approve Board Charter				√
Review CEO performance evaluation and approve compensation for CEO and senior executives	√			
Review and approve by-laws, mandates and policies				√
Review Board and Committee performance evaluations	√			
Approve Director compensation	√			
Review Board composition, expertise and succession plan	√			
Review recommendations from Committees	√	√	√	√