



BOARD OF DIRECTORS MANDATE

PURPOSE

The purpose of the board of directors (board) is to supervise the management of the business and affairs of the corporation. The board of directors will discharge this responsibility by developing and determining policy by which the business and affairs of the corporation are to be managed and by overseeing the management of the corporation.

COMPOSITION

The board is elected by the shareholders at the annual meeting of the shareholders of the corporation. The board shall appoint the chair annually from among its non-executive independent members. As fixed by the articles of the corporation, the board shall consist of at least three and not more than fifteen members. A majority of the directors shall be resident Canadians.

A majority of the directors shall be independent pursuant to standards for independence adopted by the board. The standards for independence are available on our website.

MEETINGS

The board will schedule as many meetings as necessary to carry out its duties effectively. A two year rolling schedule of regular board and committee meetings will be provided to directors. Confirmation of the date, time and place of regular meetings will be sent to directors approximately three weeks in advance of regularly scheduled meetings.

A meeting of the board may be called by the chair, the chief executive officer or any two directors. The corporate secretary shall, upon the direction of any of the foregoing, arrange a meeting of the board. Special meetings may be called by providing 48 hours' notice. Board meetings may be held at any time without notice if all of the directors have waived or are deemed to have waived notice of the meeting.

A majority of the members of the board shall constitute a quorum. No business may be transacted by the board except at a meeting of its members at which a quorum of the board is present. Each director is expected to attend all meetings of the board. A director who is unable to attend a board meeting in person may participate by telephone or teleconference.

At board meetings, each director is entitled to one vote and questions are decided by a majority of votes of the directors present. In case of an equality of votes, the chair of the meeting does not have a second or casting vote.

The corporate secretary acts as secretary to the board. In the absence of the corporate secretary, the board may appoint any other person to act as secretary.

The board may invite such officers and employees of the corporation as it may see fit from time to time to attend at meetings of the board and assist thereat in the discussion and consideration of any matter.

DUTIES AND RESPONSIBILITIES

1. The board of directors has specific responsibilities for the following, which do not, in any way, limit or comprehensively define its overall responsibility for the stewardship of the corporation:
 - (a) selection, appointment, evaluation and if necessary the termination of the chief executive officer;
 - (b) satisfying itself as to the integrity of the senior executives of the corporation and as to the culture of integrity throughout the corporation;
 - (c) succession planning, including appointing, counselling and monitoring the performance of executive officers;
 - (d) oversight of the human resources policies of the corporation and while taking into account the views and recommendations of the human resources and compensation committee, approval of the compensation of the chief executive officer and the other executive officers;
 - (e) strategic planning, approval of business plans and monitoring corporate performance against those plans;
 - (f) approval of periodic capital and operating plans and monitoring corporate performance against those plans;
 - (g) oversight of the policies and processes to manage risks of the corporation, and oversight of management's mitigation of the material risks;
 - (h) policies to require ethical behaviour of the corporation and its directors and employees, and compliance with laws and regulations;
 - (i) oversight of the policies and processes for the implementation and integrity of the corporation's internal control and management information systems and its financial reporting;
 - (j) approval of directors for appointment, nomination and election (as applicable), oversight of any potential conflicts of interest, and director independence determination;
 - (k) assessment of the effectiveness of the board and its committees;
 - (l) oversight of the program for orientation and education of new directors and ongoing education for all directors;

- (m) definition of the duties and the limits of authority of senior management, including approving a position statement for the chief executive officer;
- (n) policies for disclosure of corporate information to facilitate effective communications with shareholders, other stakeholders and the public;
- (o) health and safety and environmental policies and oversight of systems to enable compliance with these policies and all relevant laws and regulations;
- (p) oversight of the policies and processes for estimating and disclosing the corporation's mineral reserves;
- (q) corporate governance including the relationship of the board of directors to management and shareholders, oversight of the corporate governance principles applicable to the corporation, and taking reasonable steps to ensure the corporation has appropriate structures and procedures in place to permit the board of directors to effectively discharge its duties and responsibilities;
- (r) calling meetings of shareholders and submission to the shareholders of any question or matter requiring approval of the shareholders;
- (s) recommendation of the auditors to be appointed at shareholders' meetings, and filling a vacancy in the office of the auditor;
- (t) issuance of securities of the corporation;
- (u) declaration of dividends and establishment of the dividend policy for the corporation;
- (v) approval of the annual audited financial statements and related management discussion and analysis, and the interim unaudited financial statements and related interim management discussion and analysis, management proxy circulars, takeover bid circulars, directors' circulars, prospectuses, annual information forms and other disclosure documents required to be approved by the directors of a corporation under securities laws, regulations or rules of any applicable stock exchange;
- (w) adoption, amendment or repeal of bylaws of the corporation;
- (x) review and approval of material transactions not in the ordinary course of business; and
- (y) other corporate decisions required to be made by the board of directors, or as may be reserved by the board of directors, to be made by itself, from time to time and not otherwise delegated to a committee of the board of directors or to the management of the corporation.

2. Subject to the provisions of applicable law and the bylaws of the corporation, the responsibilities of the board of directors may be delegated, from time to time, to committees of the board of directors on such terms as the board of directors may consider appropriate.

ORGANIZATIONAL MATTERS

3. The procedures governing the board shall be those in Parts 6 and 7 of the General Bylaws of the corporation.
4. The board shall annually review and assess the adequacy of its mandate.
5. The board shall participate in an annual performance evaluation.
6. The board shall perform any other activities consistent with this mandate, the corporation's governing laws, and regulations of stock exchanges, as the board considers necessary or appropriate.