

# O3 Mining

## **CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER**

**Effective as of July 5, 2019**

## O3 MINING INC.

### CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

#### 1. PURPOSE

The Corporate Governance and Nominating Committee (the "**Committee**") is appointed by the Board of Directors (the "**Board**") of O3 Mining Inc. (the "**Corporation**") to assist in fulfilling its corporate governance responsibilities under applicable law and to promote a culture of integrity throughout the Corporation. The Committee will be guided by the following principles:

- (a) establishing sound corporate governance practices that are in the interest of shareholders and contribute to effective and efficient decision-making; and
- (b) acting in the interests of the Corporation and its shareholders by being fiscally responsible.

#### 2. COMPOSITION AND MEETINGS

- (a) The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission ("**OSC**"), the Ontario *Business Corporations Act* ("**OBCA**"), any stock exchange upon which the securities of the Corporation trade and all other applicable securities regulatory authorities.
- (b) The Committee members will be appointed annually at the first meeting of the Board following the annual general meeting of shareholders.
- (c) The Committee shall be composed of no less than three directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as chair (the "**Chair**"). The position description and responsibilities of the Chair are set out in Schedule "A" attached hereto.
- (d) Each of the members of the Committee shall be "independent" (as defined under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") of the Canadian Securities Administrators).
- (e) Each member of the Committee shall serve at the pleasure of the Board. The Committee shall report to the Board.
- (f) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements, and a majority of the members of the Committee shall constitute a quorum. For greater certainty, if at any time the Committee is comprised of two members, both members shall constitute a quorum.

- (g) If within one hour of the time planned for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting and shall be at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting and shall be at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present (a "**Reduced Quorum**").
- (h) If, and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum or, if applicable, a Reduced Quorum is present in respect of a specific Committee meeting.
- (i) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours' notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
- (j) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- (k) The Committee shall keep minutes of its meetings, which shall be available for review by the Board at any time. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- (l) The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.
- (m) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

- (n) The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

### **3. RESPONSIBILITIES**

The Committee shall:

- (a) recommend suitable candidates as nominees for election or appointment as Directors and specify which of the following criteria governing the overall composition of the Board and governing the desirable individual characteristics for Directors, form the basis of each recommendation:
  - (i) personal qualities and characteristics, accomplishments and reputation in the business community;
  - (ii) current knowledge and contacts in the countries and/or communities in which the Corporation does business and in the Corporation's industry sectors or other industries relevant to the Corporation's business; and
  - (iii) ability and willingness to commit adequate time to Board and Committee matters, and be responsive to the needs of the Corporation;
- (b) maintain an overview of the entire membership of the Board and ensure that qualifications required under any applicable laws and governance policies are maintained and advise the Chairman on the disposition of a tender of resignation which a Director is expected to offer:
  - (i) when such Director does not meet the eligibility rules under applicable laws, rules, regulations or policies and guidelines; and
  - (ii) when the credentials underlying the appointment of such Director change;
- (c) review annually the credentials of nominees to be named in the Management's Proxy materials for re-election and consider:
  - (i) an evaluation of the effectiveness of the Board and the performance of each Director;
  - (ii) the continuing validity of the credentials underlying the appointment of each Director; and
  - (iii) continuing compliance with the eligibility rules under the conflict of interest guidelines;

- (d) whenever considered appropriate, direct the Chairman and/or Lead Director to advise each candidate prior to the appointment of the credentials underlying the recommendation of the candidate's appointment;
- (e) recommend to the Board at the annual meeting of the Directors, the allocation of Board members to each of the Board Committees. Where a vacancy occurs at any time in the membership of any Board Committee, recommend to the Board a member to fill such vacancy;
- (f) except as otherwise provided in this Committee charter, the Committee has the sole authority to retain and terminate any search firm to be used to identify director candidates, including the sole authority to approve fees and other terms of the retention;
- (g) annually assess the performance of the Board, its Committees and Board members and make recommendations to the Board; and
- (h) the Committee shall monitor on a continuing basis and, whenever considered appropriate, shall make recommendations to the Board concerning the corporate governance of the Corporation, including:
  - (i) review at least annually the corporate governance practices and recommend appropriate policies, practices and procedures;
  - (ii) review at least annually the adequacy and effectiveness of the Board of Directors' governance policies and make appropriate recommendations for their improvement;
  - (iii) review the corporate governance sections of the Proxy Circular distributed to shareholders, including the Statement of Corporate Governance practices; and
  - (iv) assess shareholder proposals as necessary for inclusion in the Proxy Circular, and make appropriate recommendations to the Board of Directors.

#### **4. OTHER RESPONSIBILITIES**

Other responsibilities of the Committee shall include:

- (a) to approve, unless otherwise delegated to another committee by the Board, all transactions involving the Corporation and "related parties" as that term is defined in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transaction* ("**MI 61-101**") as it exists at the date hereof (collectively, "**Related Party Transactions**");

- (b) to monitor, unless otherwise delegated to another committee by the Board, any Related Party Transactions and report to the Board on a regular basis regarding the nature and extent of the Related Party Transactions;
- (c) to establish guidelines and parameters within which the Corporation and its subsidiaries shall be entitled to engage in Related Party Transactions without specific prior approval of the Committee;
- (d) to implement structures from time to time to ensure that the directors can function independently of management;
- (e) to provide an appropriate orientation program for new directors and continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Corporation remains current;
- (f) to respond to requests by, and if appropriate, to authorize, individual directors to engage outside advisors at the expense of the Corporation;
- (g) to implement a process for assessing the effectiveness of the Board as a whole, the committees of the directors and individual directors based upon: (i) for directors and committee members, the mandate of the Board and charters of the appropriate committees, respectively; and (ii) for individual directors, their respective position descriptions (if any) as well as the skills and competencies which directors are expected to bring to the Board;
- (h) to consider on a regular basis the number of directors of the Corporation, having in mind the competencies required on the Board as a whole;
- (i) to oversee and monitor any litigation, claim, or regulatory investigation or proceeding involving the Corporation;
- (j) develop an annual work plan that ensure that the Committee carries out its responsibilities; and
- (k) to implement, monitor, review, assess and update, the Corporation's policies and procedures, as established and amended from time to time, including:
  - (i) the Corporate Disclosure Policy, Confidentiality and Insider Trading Policy, Investment Policy, Whistleblower Policy and Anti-Bribery and Anti-Corruption Policy; and
  - (ii) periodically evaluate the effectiveness of the Corporation's disclosure controls and procedures, including but not limited to, assessing the adequacy of the controls and procedures in place.



**SCHEDULE "A"**  
**POSITION DESCRIPTION FOR ALL COMMITTEE CHAIRS**

**1. ROLE**

The primary role of the chair (the "**Chair**") of each committee ("**Committee**"), with the exception of the Audit Committee, of the board of directors (the "**Board**") of O3 Mining Inc. (the "**Corporation**") shall be to:

- (a) provide effective Committee leadership, overseeing all aspects of its direction and administration in fulfilling its mandate;
- (b) oversee the mandate, structure, composition, membership and activities delegated to the Committee(s); and
- (c) report the results of each Committee meeting at the next Board meeting;

**2. DUTIES AND RESPONSIBILITIES**

*Meetings*

With respect to each Committee meeting, the Chair of each respective Committee will:

- (a) schedule Committee meetings in consultation with the Chair as appropriate or other Committee members and the CEO and appropriate members of management;
- (b) set the agenda for Committee meetings in consultation with the Chair as appropriate or other Committee members and the CEO and appropriate members of management;
- (c) chair all Committee meetings in a manner that promotes meaningful discussion;
- (d) retain, in consultation with the Chairman of the Board or Lead Director, as appropriate, expert consultants on behalf of the Committee, as needed; and
- (e) allot sufficient time during the Committee meetings to fully discuss agenda items of relevance and importance.

*Committee / Management Relationships*

The Chair of each respective Committee has the responsibility to:

- (a) ensure that Committee members are receiving written information and are exposed to presentations from management consistent with fulfilling the mandate of the Committee; and



- (b) communicate with appropriate members of management in fulfilling the mandate of the Committee.

*Performance Review*

The Chair of each respective Committee of the Board shall annually oversee the assessment of the performance of the Committee under such Chair's responsibility.