

CORPORATE GOVERNANCE & NOMINATING COMMITTEE

Terms of Reference

PURPOSE

The Corporate Governance & Nominating Committee (the “CG & Nominating Committee”) has been established by the Board and under powers delegated to it by the Board is mandated to ensure that the Company develops and implements an effective approach to corporate governance which enables the business and affairs of the Company to be carried out, directed and managed in accordance with the Board Objective.

COMPOSITION AND TERM OF OFFICE

1. The CG & Nominating Committee shall consist of four or more independent directors.
2. The Chair of the CG & Nominating Committee, along with the other members of the CG & Nominating Committee, will be appointed annually by the Board following the AGM to hold office until the next AGM, unless the member becomes unable to serve or is removed by the Board. A casual vacancy may be filled and additional members of the CG & Nominating Committee may be appointed at any time by the Board, to hold office until the next AGM.
3. A quorum shall consist of a simple majority.

DUTIES AND RESPONSIBILITIES

The CG & Nominating Committee shall perform the following functions, as well as any other functions specifically authorized by the Board:

General

1. Schedule regular meetings. Extraordinary meetings may be called by any member of the CG & Nominating Committee or at the request of the Chair of the Board.
2. Appoint a Secretary who shall record the proceedings of the CG & Nominating Committee meetings.
3. Report to the Board at its next regular meeting the deliberations and recommendations, if any, of the CG & Nominating Committee since its previous report to the Board.
4. Develop and review from time to time the Company’s approach to corporate governance issues.

Corporate Governance

5. Review the Terms of Reference of all other Committees of the Board to ensure the adequacy and effectiveness of the Company’s corporate governance policy.
6. Ensure any corporate governance issues identified by the Board are raised with Management.

7. Review any statements of corporate governance practices disclosed by the Company in its annual report or management information circular.

Board Composition

8. In conjunction with the Chairman of the Board, assess, propose and recommend appropriately qualified and skilled new Director candidates:
 - a. for nomination to stand for election by the shareholders; and
 - b. for appointments to the Board.
9. Ensure that the Board has and retains a majority of independent Directors and that a majority of Committee members are independent Directors, except the Audit Committee and the CG & Nominating Committee, where all members are required to be independent Directors.
10. Review annually the size and composition of the Board and the composition of the Committees, in conjunction with the Chairman of the Board, to ensure the continual effectiveness of the Board and Committees, as the case may be.

Director's Roles and Education

11. Develop a list of responsibilities for Board members and for the Chairman of the Board.
12. Ensure orientation and continuing education programs are available for Directors.

Director Compensation

13. Review compensation levels and trends for the Directors and the Chairman of the Board and recommend changes to the Board.

Board Effectiveness

14. Establish and implement a procedure for the annual assessment of the effectiveness of the Board, the Committees of the Board, and the Chairman of the Board.
15. Ensure that there is an appropriate procedure in place to evaluate all Directors and annually assess the contribution and skills of existing Directors, and report such assessments to the Board, if deemed necessary.
16. Ensure that there are appropriate structures and procedures to allow the Board to function independently of Management.

Other Responsibilities

17. Review and approve for payment by the Company, where appropriate, requests from any Director for the engagement of an outside expert or advisor to assist that Director in fulfilling their responsibilities.
18. Ensure that the Board or a Committee of the Board reviews the major risks that have

been identified by the Company.

19. Ensure that the Company has an adequate and effective Code of Conduct, Disclosure Policy, and Whistle Blower Policy and that such policies are being complied with.
20. Ensure that the Company's Policy Manual has been adequately communicated to Management and employees.

AUTHORITY

1. The CG & Nominating Committee is authorized to engage any outside advisor it deems necessary to carry out its duties and responsibilities and to arrange payment of the advisor's compensation by the Company.
2. The CG & Nominating Committee may, at the request of the Board or at its own initiative, investigate such other matters as it considers appropriate in furtherance of the CG & Nominating Committee's purpose.