

# MANDATE OF THE BOARD OF DIRECTORS

## (THE “MANDATE”)

### I. GENERAL

#### 1. Purpose

The board of directors (the “**Board**”) of Adcore Inc. (the “**Corporation**”) is responsible for the stewardship of the Corporation including the supervision of the management of the business and the affairs of the Corporation and for acting in the best interests of the Corporation.

The Board acts in accordance with the *Canada Business Corporations Act* (“**CBCA**”); the Corporation’s Articles of Incorporation; the Corporation’s by-laws; this Mandate; the charters of the Board’s committees; applicable stock exchange rules; and other applicable laws and policies.

#### 2. Authority

The Board may operate by reserving certain powers to itself, and by delegating certain powers, duties and responsibilities to the management of the Corporation or to various committees of the Corporation (each a “**Committee**” and together the “**Committees**”) constituted by the Board, as it deems fit.

### II. PROCEDURAL MATTERS

#### 1. Composition and Qualification

The Board of Directors shall have a minimum of one director and a maximum of ten directors. The directors shall be elected individually and not by use of a slate ballot. Absent prior approval of the Board of Directors, a director shall not sit on an external board with other directors on the Board of Directors.

Directors are required to meet the qualifications specified for directors in the CBCA, and following a change in principal occupation, place of residence, or a similar change in credentials, directors are expected to report that change to the Corporation for consideration.

#### 2. Board Structure and Operations

##### (a) Chair

- (i) The Board will appoint an independent director to act as Chair of the Board. If the Board determines that this is not appropriate in the circumstances and instead appoints a non-independent director, the Board will also appoint an independent director to act as Lead Director, who shall not also be a member of management of the Corporation. Either an independent Chair of the Board or a Lead Director will act as the effective leader of the Board, including chairing Board meetings and ensuring that the Board’s agenda will enable it to successfully carry out its duties.
- (ii) If the Chair of the Board or Lead Director, if applicable, is absent or unable or unwilling to act, the directors present at the meeting will choose one of their number to be chair of the meeting.
- (iii) The Chair of the Board and the Lead Director, as applicable, may be removed at any time at the discretion of the Board.

- (iv) If in any year the Board does not appoint a Chair or Lead Director, if applicable, the incumbent Chair and Lead Director, if applicable, will each continue in office until a successor is appointed.

(b) *Meetings*

The Chair will be responsible for developing and setting the agenda of the Board meetings, and in consultation with the management, determining the schedule and frequency of such Board meetings. A quorum of the Board may, at any time, call a meeting of the Board.

(c) *Notice*

Notice of the time and place of every meeting will be given, in writing, verbally or by means of telephonic or other electronic communication to each director, the chief executive officer (“**CEO**”) of the Corporation and the chief financial officer (“**CFO**”) of the Corporation, at least 48 hours prior to the time fixed for such meeting. The notice period may be waived by a quorum of the Board.

(d) *Quorum*

A majority of the Board constitutes a quorum at any meeting of the Board.

(e) *Attendees*

The Board may invite such officers and employees of the Corporation and advisors as it sees fit from time to time to attend a meeting of the Board and assist in the discussion and consideration of matters relating to the Board.

(f) *Secretary*

The Board will appoint a Secretary to the Board who need not be a director or officer of the Corporation.

(g) *Records*

Minutes of meetings of the Board will be recorded and maintained by the Secretary to the Board and will be subsequently presented to the Board for review and approval.

**3. Board Mandate Review**

The Board will review and assess the adequacy of this Mandate on an annual basis, taking into account all legislative and regulatory requirements applicable to the Board.

**III. RESPONSIBILITIES**

**1. Specific Duties of the Board**

The Board is responsible for, in addition to its responsibilities set out in the by-laws of the Corporation:

- (a) to oversee the conduct of the business of the Corporation;
- (b) to oversee the activities of management who are responsible for the day to day conduct of the business of the Corporation;
- (c) to enhance and preserve long term shareholder value;

- (d) to ensure that the Corporation meets its obligations on an ongoing basis and operates in a reliable manner; and
- (e) to perform the additional duties set out in this Mandate.

## **2. Strategic Planning**

The Board shall:

- (a) adapt and annually review a strategic planning process and approve the strategic plan of the Corporation, which takes into account, among other things, the opportunities and risks of the business;
- (b) annually review and approve, management's strategic and operational plans so they are consistent with long-term goals;
- (c) annually review operating and financial performance results relative to established strategy, budgets and objectives;
- (d) approve significant acquisitions, sales of assets or shares, and material financing arrangements;
- (e) review and approve any distribution policy and approve the timing and payment of distributions;
- (f) review and approve targets and budgets against which to measure executive performance and the performance of the Corporation;
- (g) satisfy itself of the appropriateness of all executive and colleague compensation matters and that a portion of executive compensation is linked appropriately to the performance of the Corporation; and
- (h) satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management.

## **3. Risk Management and Compliance**

The Board, in its annual assessment of the strategic plan, reviews principal risks and considers management's plans to monitor and manage risk. The principal risks to the Corporation have been identified as risks relating to the environment, safety, securities markets, commodity prices, currency fluctuations, legislative and title issues arising from operations and the fact that mineral exploration and development activities are inherently risky. The Board has instructed management to assist the Board in identifying risks and to promptly alert the Board when a risk has materialized or materially changed. The Board may from time to time, appoint management, Board members or advisors to assist in assessing different risks.

## **4. Financial and Other Reporting, Internal Controls and Information Technology Systems**

The Board is responsible for overseeing the Corporation's financial and other reporting, internal controls and information technology systems. The effectiveness and integrity of the Corporation's internal control and management information systems contribute to the effectiveness of the Board and the Corporation. To maintain the effectiveness and integrity of the Corporation's financial controls, the Board provides oversight and monitors internal control and management information systems. To assist it with these responsibilities, the Board has established an audit committee.

## **5. Compensation, Succession Planning and other Human Resources Matters**

The Board is responsible for overseeing:

- (a) compensation matters (including compensation of officers and other senior management personnel and approving the Corporation's annual compensation budget);
- (b) succession planning (including appointing, training and monitoring senior management); and
- (c) the health and safety of the Corporation's employees.

In particular, the Board annually identifies key individuals of the Corporation and, in consultation with management, determines how to replace such individuals should the need arise. Management is assigned the responsibility of training and advising new persons of the Corporation's policies and practices. The CEO has primary responsibility for supervising and reviewing the performance of other senior management.

## **6. Position Descriptions**

The Board is responsible for:

- (a) developing clear position descriptions for the Chair of the Board, the Lead Director and the chair of each Committee;
- (b) together with the CEO, developing a clear position description for the CEO, which includes delineating management's responsibilities; and
- (c) developing or approving the corporate goals and objectives that the CEO is responsible for meeting.

## **7. Code of Business Conduct and Ethics**

The Board is responsible for adopting a written code of business conduct and ethics (the "**Code**"), applicable to directors, officers and employees of the Corporation. The Code will constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and will address the following issues:

- (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- (b) protection and proper use of corporate assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with the Corporation's security holders, customers, suppliers, competitors and employees;
- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the Corporation's directors or executive officers will be granted by the Board (or a Committee) only.

## **8. Orientation and Continuing Education**

The Board is responsible for:

- (a) ensuring that all new directors receive a comprehensive orientation, so that they fully understand:
  - (i) 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 energy that the Corporation expects from its directors); and
  - (ii) the nature and operation of the Corporation's business; and
- (b) providing continuing education opportunities for all directors, so that they may:
  - (i) maintain or enhance their skills and abilities as directors; and
  - (ii) ensure that their knowledge and understanding of the Corporation's business remains current.

## **9. Nomination of Directors**

The Board is responsible for nominating or appointing individuals as directors.

Before nominating or appointing individuals as directors, the Board will:

- (a) consider what competencies and skills the Board, as a whole, should possess;
- (b) assess what competencies and skills each existing director possesses (including the personality and other qualities of each director); and
- (c) consider the appropriate size of the Board, with a view to facilitating effective decision-making.

## **10. Regular Board Assessments**

The Board is responsible for annually assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Committee and each individual director. Such assessments should consider:

- (i) in the case of the Board, this Mandate;
- (ii) in the case of a Committee, the committee's charter; and
- (iii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.

## **11. Corporate Governance**

The Board has overall responsibility for developing the Corporation's approach to corporate governance including keeping informed of legal requirements and trends regarding corporate governance, monitoring and evaluating the functioning of the Board and Committees, and for developing, implementing and monitoring good corporate governance practices (including this Mandate and the charters of its Committees and corporate governance related policies and procedures).

**12. Measures for Receiving Feedback from Shareholders**

The Board will establish procedures to ensure that the Corporation provides timely information to current and potential security holders and responds appropriately to their inquiries. The Board (or a Committee) will ensure that designated persons under the Corporate Disclosure Policy are available to meet regularly with financial analysts and institutional investors.

**13. Outside Advisors**

The Board is responsible for implementing a system which enables the Board or a Committee to engage an external advisor at the expense of the Corporation in appropriate circumstances. The engagement of the external advisor will be subject to the approval of the Board (or a Committee).

Approved and adopted:        March 2, 2022