



**CORPORATE GOVERNANCE AND  
NOMINATING COMMITTEE CHARTER  
(revised November 2016)**

**A. PURPOSE**

The purposes of the Corporate Governance and Nominating Committee (the "Committee") are:

- (i) to propose new members to the Board of Directors of the Company (the "Board"), establish criteria for Board membership, recommend composition of the Board and its committees and assess Directors' performance on an ongoing basis; and
- (ii) to provide a focus on corporate governance that will enhance corporate performance and to ensure on behalf of the Board and shareholders of the Company that the Company's corporate governance system is effective in the discharge of its obligations to the Company's stakeholders.

**B. COMPOSITION, PROCEDURES AND ORGANIZATION**

1. The Board shall appoint the members of the Committee and the Chair each year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
2. The Committee shall consist of at least three members of the Board, all of whom shall be independent as defined by the securities laws, rules, regulations and guidelines of all applicable securities regulatory authorities, including without limitation the securities commissions in each of the provinces and territories of Canada, and stock exchanges on which the Company's securities are listed, including without limitation the Toronto Stock Exchange and the Nasdaq Global Market, subject to any exemptions provided thereunder. The Chair of the Board shall be an ex-officio member of the Committee.
3. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.
4. The Corporate Secretary of the Company shall be the Secretary of the Committee, unless otherwise determined by the Committee.

5. The Committee shall meet regularly each year on such dates and at such locations as the Chair of the Committee shall determine and may also meet at any other time or times on the call of the Chair of the Committee or any two of the other members.
6. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. The Committee may also act by unanimous written consent of its members.
7. The Chief Executive Officer (the “CEO”) shall be available to advise the Committee, shall receive notice of all meetings of the Committee and may attend meetings at the invitation of the Chair of the Committee.
8. Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
9. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management, as necessary. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
10. The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.
11. In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Company.
12. At the invitation of the Chair, one or more officers or employees of the Company may, and if required by the Committee shall, attend a meeting of the Committee.
13. The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).
14. The Committee shall annually assess its performance and review this charter and the calendar of activities, attached as Appendix A, and to submit any recommended changes thereto for approval by the Board of Directors.

#### **C. OUTSIDE CONSULTANTS AND ADVISORS**

The Committee, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such

consultants or advisors or any search firm to be used to identify director candidates, including sole authority to approve the fees and other retention terms for such persons.

#### **D. DUTIES AND RESPONSIBILITIES**

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities as outlined in the “Purpose” section of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee as outlined in the “Purpose” section of this Charter.

The duties and responsibilities of the Committee shall be as follows:

##### **Corporate Governance Duties**

1. to develop and monitor the Company's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a corporate governance system with emphasis on superior corporate governance practices;
2. to advise the Board or any of the committees of the Board of any corporate governance issues which the Committee determines ought to be considered by the Board or any such committee;
3. to review the role of the Board and the committees of the Board and the methods and processes by which the Board fulfills its duties and responsibilities, including without limitation:
  - (a) the number and content of meetings;
  - (b) the annual schedule of issues to be presented to the Board at its meetings or those of its committees;
  - (c) material which is to be provided to the Directors generally and with respect to meetings of the Board or its committees;
  - (d) resources available to Directors;
  - (e) the communication process between the Board and management;
  - (f) the director orientation and education program; and
  - (g) the contents of the Board manual;
4. to report annually to the Company's shareholders on the Company's approach to corporate governance;
5. to approve position descriptions for the Chair, the Committee Chairs and individual Directors to assist with assessing their performance;

6. to establish and administer a process for assessing the effectiveness of the Board as a whole, the committees of the Board, the Chair of the Board, the Committee Chairs and individual Directors;
7. to review compliance with, issues arising from and consider any changes required or recommended to the Company's governance policies, including without limitation, the Anti-Corruption Policy, Code of Business Conduct (including any waivers therefrom), the Insider Trading Policy and the Disclosure Policy; and
8. to recommend the annual appointment of senior officers to the Board.

#### **Nominating Duties**

1. to recommend to the Board, annually, the members proposed for re-election to the Board and identify and recommend new nominees for the Board;
2. to recommend to the Board, annually, the assignment of members to the committees of the Board and the Chair for each committee;
3. to consider the competencies and skills the Board should have, the competencies and skills that the existing Directors have and the competencies and skills required for nominees to the Board and to establish criteria for Board membership and recommend Board composition, including a recommendation on the appropriate number of independent directors; and
4. to develop and oversee a process for director succession, including reviewing and assessing new candidates for appointment or nomination to the Board.

In discharging its nominating duties, the Committee recognizes that consideration of diversity along with, but not paramount to, consideration of the necessary competencies and skills required to achieve strategic objectives will enhance the quality of the Board's performance. The Committee will consider diversity on the Board from a broad perspective, including diversity of experience, skill, education, gender, age, length of service and national origin. Recommendations on Board nominations will ultimately be based on ensuring the Board has the skills and experience necessary to provide effective oversight for the achievement by management of the Company's strategic objectives, having due regard for the benefits of diversity.

## APPENDIX A

### CORPORATE GOVERNANCE AND NOMINATING COMMITTEE - CALENDAR OF ACTIVITIES

Description of Activity	February	August	As Needed
<u>At each meeting:</u> Approve minutes of last meeting In-camera session	X	X	
In connection with the Annual Meeting of Shareholders: <ul style="list-style-type: none"> <li>Review director independence and potential conflicts of interest</li> <li>Review qualifications of Audit Committee and Compensation Committee members</li> <li>Recommend director nominees to the Board</li> <li>Review and approve governance-related disclosure for proxy circular, including corporate governance section and director nominations section</li> <li>Review shareholder proposals (if any) for Annual Meeting and recommend Board response</li> </ul>	X		
Recommend to the Board the assignment of Committee members and Chairs	X		
Recommend to the Board the annual appointment of senior officers	X		
Review director orientation and continuing education process	X		
Review process for Board and Committee evaluations	X		
Review report on Board and committee self-evaluations including with respect to: <ul style="list-style-type: none"> <li>the role of and processes by which the Board and committees fulfill their duties and obligations, and report to the Board any areas for improvement</li> <li>Board composition and succession planning, including Board size, director independence, required competencies and skills and criteria for director nomination</li> <li>Board committee structure, purpose and operations</li> </ul>		X	

Description of Activity	February	August	As Needed
Review of Committee Charter and calendar of activities		X	
Review governance policies: <ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Anti-Corruption Policy</li> <li>• Corporate Disclosure Policy</li> <li>• Insider Trading Policy</li> <li>• Executive Incentive Compensation Recoupment Policy</li> <li>• Advance Notice Policy</li> </ul> Consider any compliance issues		X	X
Review and approve any additional governance or disclosure requirements under applicable rules and regulations of the TSX, Nasdaq and/or securities regulators			X
Recommend appointment of new senior officers to Board			X