

**ETRION CORPORATION**  
**(the “Corporation”)**  
**BOARD OF DIRECTORS’ MANDATE**

*Stewardship of the Corporation*

1. The Board of Directors (the “**Board**”) is responsible for:
  - (a) stewardship of the Corporation;
  - (b) supervising the management of the business and affairs of the Corporation; and
  - (c) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making.

*Legal Obligations*

2. The Board has the responsibility to:
  - (a) act honestly and in good faith with a view to the best interests of the Corporation;
  - (b) exercise the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances; and
  - (c) direct management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met.

*Board Composition*

3. A majority of the members of the Board will, at all times, be independent directors as defined in then current laws applicable to the Corporation.
4. To be considered for nomination and election to the Board, directors must demonstrate an appropriate mix of skills, knowledge and experience in business and a history of achievement. Directors are required to commit the requisite time for all of the Board of Directors’ business and will demonstrate integrity, accountability and informed judgement.
5. In the event that the Chairman of the Board is not an independent director, as defined in then current laws applicable to the Corporation, the Board may appoint a lead director to act as the effective leader of the Board and to ensure that the Board’s agenda will enable it to successfully carry out its duties.

*Board Meetings*

6. The Board is responsible to:
  - (a) meet either in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board;
  - (b) hold meetings of the independent directors, if necessary, without management and non-independent directors present;

- (c) comply with the position description applicable to individual directors; and
- (d) administer, and comply with, the Corporation's Majority Voting Policy (the "**Majority Voting Policy**").

*Committees of the Board*

7. The Board is responsible to:

- (a) establish such committees of the Board (each, a "**Committee**") as are required by applicable law and as are necessary to effectively discharge the duties of the Board;
- (b) appoint directors to serve as members of each Committee;
- (c) appoint a Chairman of each Committee to:
  - (i) provide leadership to the Committee;
  - (ii) manage the affairs of the Committee; and
  - (iii) ensure that the Committee functions effectively in fulfilling its duties to the Board and the Corporation; and
- (d) receive and consider reports and recommendations of each Committee, in particular:
  - (i) Audit Committee reports and recommendations, particularly with respect to the Corporation's annual audit; and
  - (ii) Compensation Committee recommendations regarding corporate goals and objectives, Board assessments and compensation.

*Supervision of Management*

8. The Board is responsible to:

- (a) select and appoint the Chief Executive Officer, and with the assistance of the Compensation Committee, establish Chief Executive Officer goals and objectives and evaluate Chief Executive Officer performance;
- (b) assist the Chief Executive Officer to select and appoint executive officers, establish executive officers' goals and objectives and monitor their performance; and
- (c) maintain a succession plan for the replacement of the Chief Executive Officer and other executive officers.

### *Governance*

9. The Board is responsible to:
- (a) annually review and either approve or require revisions to the Mandates of the Board and each Committee, position descriptions, the Code of Business Conduct and Ethics (the “**Code**”) and all other policies of the Corporation, including, without limitation, the Majority Voting Policy (collectively the “**Governance Documents**”);
  - (b) take reasonable steps to satisfy itself that each director, the Chief Executive Officer and the executive officers are:
    - (i) performing their duties ethically;
    - (ii) conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Documents;
    - (iii) fostering a culture of integrity throughout the Corporation; and
  - (c) arrange for the Governance Documents to be publicly disclosed.

### *Communications*

10. The Board is responsible to review and consider the implementation of a disclosure policy which provides for disclosure and communications practices governing the Corporation.

### *Waivers & Conflicts*

11. The Board is responsible for:
- (a) reviewing departures from the Code;
  - (b) providing or denying waivers from the Code; and
  - (c) reviewing the necessity for making any filings required by securities laws in connection with departures from the Code.

### *Strategic Planning*

12. The Board, together with management of the Corporation, has the duty to adopt a strategic planning process and to approve, as required, a strategic plan which takes into account, among other things, the opportunities and risks of the business.

### *Risk Management*

13. The Board has the duty to:
- (a) adopt a process to identify the principal risks of the Corporation’s business and ensure the implementation of appropriate systems to manage these risks; and

- (b) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation's:
  - (i) disclosure controls and procedures;
  - (ii) internal controls over financial reporting;
  - (iii) management information systems; and
  - (iii) auditing and accounting principles and practices.

#### *Financial Management*

14. The Board has the duty to:

- (a) review, and on the advice of the Audit Committee, approve, prior to their public dissemination:
  - (i) annual and interim financial statements and notes thereto;
  - (ii) the annual and interim managements' discussion and analysis of financial condition and results of operations;
  - (iii) relevant sections of the annual report, annual information form and management information circular containing financial information;
  - (iv) forecasted financial information and forward looking information and statements; and
  - (iv) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed; and
- (b) approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.

#### *Materials*

15. The Board has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

#### *Advisors*

16. The Board has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.