



**Mandate of The Board of Directors**  
May 6, 2008

**I. Overall Purpose / Objectives**

The Board of Directors (the “Board”) is responsible for the overall stewardship of the Company on behalf of all Shareholders. It operates by delegating certain of its authority and responsibilities to committees and management and reserving certain powers to itself. It will retain full effective control over the Company and will monitor senior management.

**II. Composition**

The Board should be constituted of a majority of individuals who qualify as independent directors. The Board is responsible for evaluating its composition and determining the appropriate number of directors.

The membership of the Board will also include an appropriate number of individuals who are Financially Literate and who have Accounting or Related Financial Experience to ensure that the individual members appointed to the Audit Committee fulfill the requirements of applicable regulations relating to Audit Committees.

**III. Meetings**

The Board will meet at least four times per year. The Board will have an In Camera session excluding non-independent directors and management at each meeting. The Board will implement structures and procedures to ensure that it functions independently of management. Minutes of all meetings of the Board shall be maintained.

**IV. Interpretation**

“Accounting or Related Financial Experience” means past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities.

“Financially Literate” means able to read and understand fundamental financial statements, including a company’s balance sheet, income statement, and cash flow statement.

“Independent Director” means a director, other than an executive officer or employee of the company, who does not have a relationship that would interfere with the exercise of independent judgement in carrying out the responsibilities of a director.

“Non-Independent Director” means all directors other than Independent Directors.

## **V. Responsibilities and Duties**

### **The Principal Functions of the Board are as follows:**

#### **Selection of Directors**

The Board is responsible for approving new nominees to the Board and for assessing directors based upon the recommendations of the Governance and Nominating Committee.

The Board will annually consider the skills and competencies of the members of the Board from the perspective of determining what additional skills and competencies would be helpful to the Board. The Board will convey its findings to the Governance and Nominating Committee to be used to identify specific candidates.

The Board will ensure that prospective candidates for Board membership have received the appropriate information to permit them to fully understand the role of the Board and its committees and the contributions expected from individual directors.

The Board will annually review the assessment of the Board's performance and recommendations provided by the Governance and Nominating Committee and evaluate its own effectiveness.

#### **Committees**

1. The Board shall appoint committees to assist it in performing its duties and processing the quantity of information it receives.
2. Subject to paragraphs 3 and 4 of this section, committee members appointed by the Board should be composed of Independent Directors.
3. The Board shall name members of committees after considering the recommendations of the Governance and Nominating Committee and the input of the Executive Chairman of the Board as well as the skills and desires of individual Board members, all in accordance with the mandates of such committees approved by the Board.
4. The Audit Committee will be composed only of Independent Directors. All members of the Audit Committee will be Financially Literate and at least one member will have Accounting or Related Financial Experience.
5. The Board will receive reports from each committee as to the work undertaken by the committee and, in each case, the committee's recommendations, if any, for change with respect to its responsibilities. The Board will evaluate and approve, if appropriate, such recommendations. The Board will also receive minutes of all committee meetings.

The Board will annually evaluate the performance and review the work of its committees, including their respective mandates and the sufficiency of such mandates.

#### **Senior Management**

The Board will oversee management through an ongoing review process.

1. The Board will approve the remuneration of the Chief Executive Officer and Executive Chairman and other officers of the Company upon recommendation of the Compensation Committee.



2. The Board will, together with the executive team and the Governance and Nominating Committee, develop position descriptions for the executive team, including the Chief Executive Officer and the Executive Chairman and the Chief Financial Officer. The Board will review and approve these position descriptions in connection with the Governance and Nominating Committee and will review performance of the executive in relation to such position descriptions.

### **General Responsibilities of the Board of Directors**

1. To the extent feasible, the Board will satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the organization.
2. The Board will review and approve a strategic planning process, on at least an annual basis, which takes into account, among other things, the opportunities and risks of the business, and the formulation of long-term strategic, financial and organizational goals for the Company.
3. The Board, along with members of the executive team, will ensure that management identifies the principal risks of the Company's business and will ensure that management implements the appropriate systems to manage these risks.
4. The Board will develop a process for succession planning (including appointing, training and monitoring senior management).
5. Through the Audit Committee, the Board will monitor the Company's internal control and management information systems.
6. The Board will develop the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.
7. The Board will engage in a review of and approve the Company's annual budget and any amendments made thereto.
8. The Board will approve material capital expenditures or material dispositions or other material financial commitments, other than as budgeted.
9. The Board will monitor compliance with the Company's Code of Ethics and will be responsible for granting any waivers from compliance with the Code of Ethics for directors and officers.
10. The Board, or the Board through its Committees, will also consider and approve:
  - a. transactions outside the ordinary course of business and special employment contracts;
  - b. all matters that would be expected to have a major impact on shareholders; and
  - c. the appointment of any person to any position that would qualify such person as an officer of the Company.
11. The Board will also receive reports and consider:
  - a. changes in the shareholder base of the Company from time to time and relationships between the Company and its significant shareholders;
  - b. periodic reports from Board committees with respect to matters considered by such committees; and



- c. health, safety and environmental matters as they affect the Company and its businesses.
12. The Board will oversee how the Company communicates its goals and objectives to its shareholders and other relevant constituencies, including the approval of policies relating to:
    - a. how the Company interacts with analysts, investors, other key stakeholders and the public; and
    - b. continuous disclosure obligations and selective disclosure.
  13. The Board will review and approve the Company's management proxy statement and annual information form.
  14. The Board will review and approve the Company's annual audited consolidated financial statements, quarterly consolidated financial statements and management's discussion and analysis on recommendation of the Audit Committee and may delegate authority to approve quarterly materials to the Audit Committee.
  15. The Board will consider and review the means by which shareholders can communicate with the Company, communications interfaces through the Company's website and the adequacy of resources available within the Company to respond to shareholders and others as required.

### **Outside Advisors**

In discharging their duties, the Board or any committee may, where appropriate, engage outside advisors at the expense of the Company. Individual Directors may also engage outside advisors, subject to the approval by the Governance and Nominating Committee.

### **Remuneration of the Directors**

The Board will consider and approve the adequacy and form of the compensation or fees of directors, upon recommendation of the Compensation Committee, and ensure the compensation realistically reflects the responsibilities and time involved in being an effective director.

### **General**

The Board will consider and approve such other matters as the Board may, from time to time, determine.

