

CHARTER OF THE BOARD OF DIRECTORS

1. Role of the Board

The role of the board of directors of the Corporation is to oversee, directly and through its committees, the business and affairs of the Corporation, which are conducted by its officers and employees under the direction of the Chief Executive Officer (“CEO”). In doing so, the board acts at all times with a view to the best interests of the Corporation.

The board’s role is to oversee management, with the objective of advancing the best interests of the shareholders by enhancing shareholder value in a manner that recognizes the concerns of other stakeholders in the Corporation, including the communities in which it operates.

2. Authority and Responsibilities

The board meets regularly to review the performance of the Corporation. In addition to the general supervision of management, the board performs the following functions:

- (a) strategic planning - overseeing the strategic planning process within the Corporation and, at least annually, reviewing, approving and monitoring the strategic plan for the Corporation including fundamental financial and business strategies and objectives;
- (b) risk assessment - assessing the major risks facing the Corporation and reviewing, approving and monitoring the manner of managing those risks;
- (c) CEO - developing the corporate objectives that the CEO is responsible for meeting and selecting, evaluating and compensating the CEO;
- (d) senior management - overseeing the selection, evaluation and compensation of senior management and monitoring succession planning;
- (e) communications and disclosure policy - adopting a communications and disclosure policy for the Corporation, including ensuring the timeliness and integrity of communications to shareholders and establishing suitable mechanisms to receive stakeholder views;
- (f) corporate governance - developing the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines applicable to the Corporation;
- (g) internal controls - reviewing and monitoring the controls and procedures within the Corporation to maintain its integrity including its disclosure controls and procedures, and its internal controls and procedures for financial reporting and compliance; and
- (h) maintaining integrity - on an ongoing basis, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation, including compliance with its Code of Business Conduct and Ethics.

3. Composition and Procedures

- (a) Size of board and selection process - Until such time as a Nominating Committee is formed, the board as a whole determines the nominees for election to the board. Subject to compliance with the requirements prescribed by the *Business Corporations Act* (Ontario) (“OBCA”) and the Corporation’s by-laws, any shareholder may propose a nominee for election to the board either by means of a shareholder proposal or at the annual meeting. Between annual meetings, the board may appoint directors to serve until the next annual meeting.

- (b) Qualifications - Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the Corporation. They should possess skills and competencies in areas that are relevant to the Corporation's activities. A majority of the directors will be independent directors based on the guidelines of securities regulatory authorities.
- (c) Director orientation - The Corporation's management team is responsible for providing an orientation and education program for new directors.
- (d) Meetings - The board has at least four meetings a year plus one to review the Corporation's strategic plan. The board is responsible for its agenda. Prior to each board meeting, the CEO discusses agenda items for the meeting with the Chairman of the board. Materials for each meeting are distributed to the directors in advance of the meetings.
- (e) Committees - The board has established an Audit Committee. Special committees may be established from time to time to assist the board in connection with specific matters. The chair of each committee reports to the board following meetings of the committee. The terms of reference of each standing committee are reviewed annually by the board.
- (f) Evaluation - Under the leadership of the Chairman of the Board, the board as a whole shall perform an annual evaluation of the effectiveness of the board as a whole, the committees of the board and the contributions of individual directors. In addition, each committee shall assess its performance annually.
- (g) Compensation - Until such time as a Compensation Committee is formed, the board as a whole will determine the compensation for directors. In reviewing the adequacy and form of compensation, the board seeks to ensure that the compensation reflects the responsibilities and risks involved in being a director of the Corporation and aligns the interests of the directors with the best interests of the Corporation.
- (h) Access to independent advisors - The board and any committee may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Chairman of the Board, retain an outside advisor at the expense of the Corporation.

Approved by the Board of Directors on August 24, 2007.