



## **BOARD OF DIRECTORS MANDATE OF COPPER MOUNTAIN MINING CORPORATION**

### **I. GENERAL**

The Board of Directors (the “Board”) of Copper Mountain Mining Corporation (the “Company”) is responsible for the stewardship and the general supervision of the management of the business and for acting in the best interests of the Company. The Board’s fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Company meets its obligations on an ongoing basis and that the Company operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Company. The Board will discharge its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Corporate Governance Committee, the Compensation Committee and the Corporate Responsibility Committee. In addition, the Board may from time to time, appoint such additional committees as it deems necessary and appropriate in order to discharge its duties. Each committee shall have its own charter. The Board shall meet regularly, but not less than once each quarter, to review the business operations, corporate governance and financial results of the Company. Meetings of the Board of Directors will also include regular meetings (not less than once annually) of the independent members of the Board without management being present.

### **II. COMPOSITION**

The Board of Directors shall be constituted at all times of a majority of “independent directors” within the meaning of National Policy 58-201 – *Corporate Governance Guidelines* (“NP 58-210”). Pursuant to Canadian corporate governance guidelines, in order to be considered “independent”, a director shall have no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. If the Chairman of the Board is not independent within the meaning of NP 58-201, the Board shall appoint an independent director as Lead Director who shall act as the effective leader of the Board and ensure that the Board’s agenda will enable it to successfully carry out its duties.

### **III. RESPONSIBILITIES**

The Board’s mandate is the stewardship of the Company and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

- The assignment to the various committees of directors the general responsibility for developing the Company’s approach to: (i) corporate governance of directors; (ii) financial reporting and internal controls; (iii) compensation of officers and senior employees; and (iv) oversight of safety, health, environment and social responsibility.
- With the assistance of the Corporate Governance Committee:



- Review the composition of the Board and ensure it respects its independence criteria.
- Satisfy itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the organization.
- Assess, at least annually, of the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including, considering of the appropriate size of the Board.
- Assess, at least annually, of the effectiveness of the Chief Executive Officer.
- Ensure that an appropriate review selection process for new nominees to the Board is in place.
- Consider and nominate persons for election to the Board.
- Adopt a diversity policy, as required.
- Oversee the Majority Voting Policy.
- Appoint a Lead Director, as may be required from time to time.
- Ensure that an appropriate orientation and education program for new members of the Board is in place.
- Provide continuing education opportunities for directors.
- Approve and revise from time to time as circumstances warrant a corporate disclosure and communications policy to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and communities in which the business of the Company is conducted.
- Establish and adopt a written Code of Business Conduct and Ethics and monitor compliance with such code.
- With the assistance of the Audit Committee:
  - Ensure the integrity of the Company's internal controls and management information systems.
  - Approve the capital and operating budgets for the Company and its subsidiaries.
  - Ensure the Company's ethical behaviour is in compliance with laws and regulations, audit and accounting principles and the Company's own governing documents.
  - Identify the principal risks of the Company's business and ensure that appropriate systems are in place to manage these risks.



- Review and approve significant financial matters and the provision of direction to management on these matters.
- As required and agreed upon, provide oversight for shareholders concerning the integrity of the Company's reported financial performance.
- Reviewing and approving the Company's annual operating and capital budgets, and any amendments thereto, from time-to-time.
  - Reviewing quarterly the financial reports of the Company to ensure that any material deviation from budget or any material indication that actual results will fail to meet budget expectations, are addressed.
  - Reviewing quarterly the status of capital and major operating projects of the Company.
- With the assistance of the Compensation Committee:
  - Establish a statement of compensation philosophy, strategy and principles.
  - Review recommendations of management regarding employee annual salary and incentive policies.
  - Establish the compensation package for the Chief Executive Officer, including goals and objectives.
  - Following advice from the Chief Executive Officer, approve the compensation of the senior management team.
  - Review succession planning including the selection, training, appointment, monitoring, evaluating and, if necessary, the replacement of the senior management to ensure management succession.
  - With the assistance of management, review and determine the peer group used by the Company to establish and determine compensation policies.
  - Approve compensation for the directors.
  - Oversee any "say on pay" resolutions passed by the shareholders.
- With the assistance of the Corporate Social Responsibility Committee:
  - Review the Company's safety and health program including corporate safety and health policies and standards.
  - Review the Company's environmental management program including corporate environmental policies and standards.
  - Review the Company's corporate social responsibility program including significant sustainable development, community relations, indigenous peoples and security policies and standards.



- Review the Company's human rights policies and standards.
- Adopt a strategic planning process, approve at least annually a strategic plan that takes into account business opportunities and business risks identified by the Board and/or the Audit Committee and monitor performance against such plans.
- Review and approve of corporate objectives and goals applicable to the Company's senior management.
- Enhance congruence between shareholder expectations, Company plans and management performance.
- Review with senior management material transactions outside the ordinary course of business and such other major corporate matters which require Board approval including the payment of dividends, the issue, purchase and redemption of securities, acquisitions and dispositions of material assets and material capital expenditures and approving such decisions as they arise.
- Perform such other functions as prescribed by law or assigned to the Board in the Company's constating documents.
- Establish objectives relating to exploration, development, operations and mining of the Company's properties, including determining the budgets required, the allocation of resources, the steps to be implemented and the timing for reaching such steps.
- Monitor matters relating to exploration, development, operations and mining and assessing the performance of the Company against its objectives.
- Develop a corporate culture of environmental responsibilities and awareness as to the importance of health and safety.

#### **IV RESPONSIBILITIES OF INDIVIDUAL DIRECTORS**

In addition to the foregoing general responsibilities as a member of the Board, each director is expected to:

- Develop and maintain a thorough understanding of the Company, the markets in which its business is conducted, its financial position, strategic direction and goals.
- Diligently prepare for each meeting, ensuring that all distributed information is read and thoroughly understood.
- Actively and constructively participate in each meeting, ensuring all relevant issues are given consideration.
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- Request information and clarification from management regarding any relevant aspect of the Company's affairs as needed.
- Engage in continued directors' education as relevant to the Company.
- Attend all Board meetings and any committee meetings of which a director is a member in person or via teleconference.

#### **V MEETING SCHEDULES**

The Board shall meet at least quarterly during each year. The schedules for Board meetings and for Committee meetings shall be provided by the Company Secretary to all directors, annually.