

## EURO SUN MINING INC.

### CHARTER OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

#### 1. PURPOSE

The Corporate Governance and Nominating Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of Euro Sun Mining Inc. (the “**Company**”). Its primary function is to assist the Board in fulfilling its oversight responsibilities by:

- (a) Assessing the effectiveness of the Board as a whole as well as evaluating the contribution of individual members;
- (b) Assessing and improving the Company’s governance practices;
- (c) Proposing new nominees for appointment to the Board; and
- (d) Orienting new directors.

#### 2. COMPOSITION

- 2.1 The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be an independent director in accordance with National Policy 58-201 – *Corporate Governance Guidelines*. A director is considered to be “independent” if he or she has no direct or indirect material relationship which could in the view of the Board reasonably interfere with the exercise of a director’s independent judgment. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees*.
- 2.2 The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors are duly elected and qualified. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by majority vote of the full membership of the Committee.
- 2.3 Each member will have, to the satisfaction of the Board, sufficient skills and/or experience which are relevant and will be of assistance in carrying out the mandate of the Committee.
- 2.4 The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, securities laws, the listing requirements of the Toronto Stock Exchange, the *Canada Business Corporations Act* and all applicable securities regulatory authorities, if any.

### 3. RESPONSIBILITIES AND DUTIES

The responsibilities, duties and powers of the Committee shall include:

#### (a) Governance Responsibilities

- Annual review and revision of this Charter as necessary with the approval of the Board.
- Review on a periodic basis, the size and composition of the Board and ensure that an appropriate number of independent directors sit on the Board.
- Facilitate the independent functioning and maintain an effective relationship between the Board and management of the Company.
- Assess the effectiveness of the Chairman's agenda and the quality of the engagement of the Board.
- Annually review performance and qualification of existing directors in connection with their re-appointment.
- Assess, at least annually, the effectiveness of the Board as a whole, each committee of the Board and the contribution of individual directors, including making recommendations where appropriate that sitting directors be removed or not re-appointed.
- Keep up to date with regulatory requirements and other new development in corporate governance and review the quality of the Company's governance and suggest changes to the Company's governance practices as determined appropriate to the Board.
- Ensure that disclosure and securities compliance policies, including communications policies, are in place.

#### (b) Nominating Responsibilities

- Establish qualifications and skills necessary for members of the Board (as well as skills and competences the Board's needs as a whole) and procedures for identifying possible nominees who meet these criteria (and who are likely to bring to the Board the skills and qualifications the Board's needs as a whole).
- Establish an appropriate review selection process for new nominees to the Board.
- Establish procedures and approve appropriate orientation and education program for new members of the Board and establish and approve continuing education opportunities for all directors to ensure their knowledge and understanding of the Company's business remains current.

- Analyze the needs of the Board when vacancies arise on the Board and identify and recommend nominees who meet such needs.

(c) Reporting and Others

- The Committee is responsible for reviewing and submitting to the Board, as a whole, recommendations concerning the Company's corporate governance performance and processes.
- The Committee will record minutes of its meetings and, through its Chairman, report periodically to the Board.
- The Committee may from time to time hire and remunerate outside professionals to assist or advise the Committee in carrying out its mandate.

#### 4. MEETINGS

- 4.1 The Committee shall meet at least once per annum, or more frequently as circumstances require. The Committee may ask members of management or others to attend meetings or to provide information as necessary. In addition, the Committee or, at a minimum, the Chairman may meet with the Company's external corporate counsel to discuss the Company's corporate governance policies and practices.
- 4.2 A quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
- 4.3 Meetings shall be held from time to time as the Committee or the Chairman shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Committee.
- 4.4 Meetings of the Committee shall be held from time to time as the Committee or the Chairman thereof shall determine upon 48 hours notice to each of its members; provided that the Committee shall meet at least once per year. The notice period may be waived by a quorum of the Committee.
- 4.5 If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
- 4.6 Any member of the Committee may participate in a meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.

- 4.7 The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- 4.8 The Committee may invite such officers, directors and employees of the Company and its subsidiaries as it may see fit, from time to time, to attend meetings of the Committee.
- 4.9 Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.
- 4.10 All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

## **SCHEDULE "A"**

### **POSITION DESCRIPTION FOR THE CHAIRMAN OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE**

#### **1. PURPOSE**

The Chairman of the Corporate Governance and Nominating Committee of the Board shall be an independent director who is appointed by the Board to act as the leader of the Committee in, among other things: (i) assessing the effectiveness of the Board and the Company's governance; and (ii) proposing new nominees for appointment to the Board and its committees.

#### **2. WHO MAY BE CHAIRMAN**

The Chairman will be selected amongst the independent directors of the Company who have a sufficient level of experience with corporate governance and nomination issues to ensure the leadership and effectiveness of the Committee.

The Chairman will be selected annually at the organizational meeting of the Board of Directors, and serve for a one-year term; however, if the Board of Directors does not appoint a Chairman, the members of the Committee shall designate a Chairman by a majority vote of the Committee. The Chairman may be re-appointed at the end of each term.

#### **3. Responsibilities**

The following are the primary responsibilities of the Chairman:

- (a) Chairing all meetings of the Committee in a manner that promotes meaningful discussion;
- (b) Ensuring adherence to the Committee's Charter and that the adequacy of the Committee's Charter is from time to time as appropriate.
- (c) Providing leadership to the Committee to enhance the Committee's effectiveness, including:
  - ensuring that the responsibilities of the Board are well understood by both the members of the Board and management, and that the boundaries between the Board of Directors and management responsibilities are clearly understood and respected to facilitate independent functioning and maintain an effective relationship between the Board and management;
  - providing the information to the Board relative to the Committee's issues and initiatives and reviewing and submitting to the Board recommendations concerning the Company's corporate governance performance and processes;
  - ensuring that the Committee works as a cohesive team with open communication;

- ensuring that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
- ensuring that a process is in place by which the effectiveness of the Board and its committees (including size and composition) and compensation of directors is assessed at least annually;
- ensuring that a process is in place by which the contribution of individual directors to the effectiveness of the board is assessed at least annually;
- ensuring procedures are established to orient and educate new directors; and
- ensuring procedures are established to assess and recommend new nominees for appointment to the Board of Directors and its committees.

(d) Managing the Committee, including:

- adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
- preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
- ensuring meetings are appropriate in terms of frequency, length and content;
- overseeing and participating in the review and approval, on an annual basis, of a report of the Committee to be disclosed in the Company's annual reporting materials in connection with the Company's annual meeting;
- ensuring the Company's adherence to its corporate governance principles and guidelines; and
- annually reviewing with the Committee its own performance.