



## **SILVER BOW MINING CORP.**

### **BOARD OF DIRECTORS MANDATE**

#### **1. Mandate**

The Board of Directors (or the "Board") is responsible for the stewardship of Silver Bow Mining Corp. ("the Company"). The Board supervises the management of the business and affairs of the Company, with the primary goal of acting in the best interests of the Company and enhancing long-term shareholder value while considering the interests of the Company's various stakeholders. The duties of the Board are to act honestly and in good faith with a view to the best interests of the Company.

Specifically, the Board is charged with responsibility for:

- a) evaluating the performance and integrity of the Chief Executive Officer (the "CEO") and other executive officers, including the creation of a culture of integrity throughout the Company;
- b) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;
- c) the identification of the principal risks of the Company's business, and ensuring the implementation of appropriate systems to manage these risks;
- d) succession planning for the CEO and other officers (including appointing, training and monitoring senior management);
- e) approving the annual budget and compensation of the executive officers;
- f) approving financial statements of the Company;
- g) the Company's internal control and management information systems;
- h) select the Chair of the Board and develop a position description;
- i) forming committees of the Board (the "Committees"), delegating powers to the Committees and position descriptions; and
- j) developing, with the assistance of the Governance and Nominating Committee, the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.

#### **2. Composition**

A majority of the Board shall be independent pursuant to the standards and requirements promulgated by all governmental and regulatory bodies exercising control over the Company as may be in effect from time to time, including, without limitation, Section 803A of the NYSE American LLC Company Guide and the rules of any other stock exchange on which the Company's shares are listed. The independent directors shall hold regularly scheduled meetings to fulfill their responsibilities, including at least annually in executive session without the presence of non-independent directors and management.

All committees of the Board shall have a majority of independent directors. The Audit Committee shall be composed entirely of independent directors who also meet the additional independence requirements specified in Section 803B of the NYSE American LLC Company Guide and SEC Rule 10A-3. The Chair of the Board may be the CEO, provided that a majority of the Board consists of independent directors and a Lead Director is appointed from among the independent directors.

The Board is elected by the shareholders of the Company to hold office for the ensuing year or

until their successors are elected or appointed. The Governance and Nominating Committee will recommend to the full Board nominees for election to the Board and the Board will propose nominees to the shareholders for election as directors for the ensuing year.

The Board may from time to time designate one of the members of the Board to be the Chair of the Board. Where the Chair of the Board is not an independent director, the independent directors must designate one of their number to act as lead director (the "Lead Director") to chair regular meetings of the independent directors and assume other responsibilities which the independent directors have designated.

### **3. Board Committees**

To assist it in exercising its responsibilities, the Board has established three standing committees of the Board: 1) an Audit Committee, 2) a Compensation Committee and 3) a Governance and Nominating Committee. The Board may establish other standing committees, from time to time.

Each committee shall have a written charter. At a minimum, each charter shall clearly establish the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter shall be reviewed by the Board (or a committee thereof) on at least an annual basis.

The Board is responsible for appointing directors to each of its committees, in accordance with the written charter for each committee.

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### **4. Expectations of Directors**

The Board expects that each director will, among other things:

- a) act honestly, in good faith and in the best interests of the Company;
- b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- c) commit the time and energy necessary to properly carry out his or her duties;
- d) attend all Board and committee meetings, as applicable; and
- e) review in advance all meeting materials and otherwise adequately prepare for all Board and committee meetings, as applicable.

A principal responsibility of the Chair of the Board will be to manage and act as the chief administrative officer of the Board with such duties and responsibilities as the Board may establish from time to time.

## **5. Meetings and Participation**

The Board shall meet at least once per quarter, or more frequently as circumstances dictate. The Chair, the Lead Director (if any) or any two directors may call a meeting of the Board.

Meeting agendas will be prepared and provided in advance to directors, along with appropriate briefing materials. The agenda will be set by the Chair of the Board in consultation with the Lead Director (if any) and based on input from other directors of the Board and senior management.

No business may be transacted by the Board except at a meeting at which a quorum of the Board is present. A quorum for meetings of the Board is a majority of its directors. The Board may invite such officers, directors and employees of the Company as it may see fit from time to time to attend meetings of the Board and assist in the discussions of the Board.

The Board shall keep minutes of its meetings in which shall be recorded all action taken by it, which minutes shall be subsequently presented to the Board for review and approval.

## **6. Duties, Powers, and**

### ***Responsibilities Supervising***

#### ***Management of the Company***

The Board is responsible for:

- appointing, evaluating the performance of, and if necessary, replacing the CEO;
- overseeing the CEO's selection of other executive officers;
- reviewing and approving the CEO's strategy for management succession;
- working with the CEO to establish appropriate corporate goals and objectives;
- evaluating the overall effectiveness of the CEO and the executive leadership team in achieving the company's strategic goals; and
- maintaining appropriate oversight of areas not specifically delegated to management.

#### ***Strategic Planning***

The Board is responsible for overseeing the Company's strategic planning process. The Board shall:

- review and provide guidance on the Company's strategic direction and major policy decisions;
- regularly engage with management regarding corporate strategy, its implementation, and associated risks and opportunities; and
- review and approve, as appropriate, the Company's strategic plans, significant capital allocations, expenditures, and transactions that exceed thresholds set by the Board.

The Board will assess the effectiveness of the strategic planning process periodically to ensure it appropriately balances short-term objectives with the Company's long-term

vision.

### ***Risk Management***

The Board is responsible for identifying the principal risks of the Company's business and ensuring that those risks are effectively managed. The Board may delegate to the Audit Committee responsibility for reviewing the Company's internal controls and risk management policies and procedures related to the finance and accounting aspects of the business.

The Board shall ensure that systems are in place to identify principal risks to the Company and its business and that appropriate procedures are in place to manage those risks and to address and comply with applicable regulatory, corporate, securities and other legal requirements. Specifically, the Board shall ensure that procedures are in place to comply with the law, the Company's Articles of Incorporation, the Company's Code of Business Conduct and Ethics, all exemption orders issued in respect of the Company by applicable securities regulatory authorities and all other significant Company policies and procedures.

### ***Succession Planning***

The Board is responsible for overseeing succession planning matters for officers and senior management, including the appointment, training and monitoring of such persons, and to assist them with certain of those responsibilities, the Board has established the Compensation Committee and the Governance and Nominating Committee.

The Board will be directly responsible for succession planning for the

CEO. The Board is also responsible for:

- generally ensuring depth in senior management;
- reviewing candidates for senior management positions;
- considering annually the organizational structure of the Company; and
- considering annually other succession planning matters.

### ***Communications and Corporate Disclosure***

The Board is responsible for ensuring the Company has appropriate practices in place for the disclosure of information and communications with shareholders and the public.

The Board shall oversee the establishment of policies and procedures to:

- ensure timely and accurate disclosure of material information in compliance with applicable securities laws and exchange requirements;
- maintain appropriate protocols for communicating with shareholders, analysts, and the investment community; and
- establish clear lines of authority for the approval and dissemination of corporate information.

The Board shall periodically review the effectiveness of the Company's disclosure controls and procedures and make adjustments as necessary to support transparent and appropriate communication with the Company's stakeholders.

### ***Internal Controls***

The Board is responsible for ensuring the integrity of the Company's internal control and management information systems. The Board may delegate its responsibilities relating to the Company's internal control and management information systems to the Audit Committee.

### ***Corporate Governance***

The Board is responsible for developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company. The Board shall monitor and evaluate the effectiveness of the system of corporate governance at the Company, including the information requirements for the Board, the frequency and content of meetings and the need for any special meetings, communication processes between the Board and management, the charters of the Board and its committees and policies governing size and compensation of the Board. To assist them with certain of these responsibilities, the Board has established the Governance and Nominating Committee. The Board is responsible for reviewing corporate policies and committee charters on an annual basis.

### ***Orientation and Continuing Education***

The Board is responsible for:

- ensuring that all new directors receive a comprehensive orientation, so that they fully understand:
  - the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors); and
  - the nature and operation of the Company's business;
- providing continuing education opportunities for all directors, so that they may:
  - maintain or enhance their skills and abilities as directors; and
  - ensure that their knowledge and understanding of the Company's business remains current.

### ***Code of Business Conduct and Ethics***

The Board is responsible for adopting a written code of business conduct and ethics (the "Code"), applicable to directors, officers and employees of the Company. The Code shall constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and shall address the following issues:

- conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- protection and proper use of corporate assets and opportunities;
- confidentiality of corporate information;
- fair dealing with the Company's security holders, customers, suppliers, competitors and employees;
- compliance with laws, rules and regulations; and
- reporting of any illegal or unethical behavior.

The Board is responsible for monitoring compliance with the Code. The Board is responsible for reviewing the Code annually to ensure relevance and updating the Code accordingly to new laws, rules and regulations. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers must be approved by the Board.

### ***Nomination of Directors***

The Board is responsible for nominating or appointing individuals as directors, and to assist it with this responsibility the Board has established the Governance and Nominating Committee.

Prior to nominating or appointing individuals as directors, the Board shall:

- consider what competencies and skills the Board, as a whole, should possess;
- assess what competencies and skills each existing director possesses (including the personality and other qualities of each director);
- consider the appropriate size of the Board, with a view to facilitating effective decision-making; and
- consider the advice and input of the Governance and Nominating Committee.

### ***Compensation Matters***

The Board is responsible for overseeing compensation matters (including compensation of officers and approving the Company's annual compensation budget) and to assist it with these responsibilities, the Board has established the Compensation Committee.

More specifically, the Board is responsible for approving:

- the CEO's compensation level, incentive-compensation plans and equity-based plans, after consideration of the evaluation conducted by and the recommendations of the Compensation Committee; and
- non-CEO officer and director incentive-compensation plans and equity-based plans, after consideration of the recommendations of the Compensation Committee.

### ***Regular Board Assessments***

The Board is responsible for regularly, and at least annually, assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Board committee and each individual director. Such assessments should consider:

- in the case of the Board, this Mandate;
- in the case of a Board committee, the committee's charter; and
- in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.

### ***Outside Advisors***

The Board is responsible for implementing a system which enables an individual director, the Board or a committee to engage external advisors at the expense of the Company in appropriate circumstances. Unless otherwise provided in a committee

charter, the engagement of external advisors shall be subject to the approval of the Board.