

STELLA JONES INC.
(the “Corporation”)

GOVERNANCE AND NOMINATION COMMITTEE MANDATE

1. Formation

The Board of Directors may appoint annually from its members, a Governance and Nomination Committee (“Committee”) consisting of such number of members as the Board of Directors may determine, but not less than (3) three.

Each of the members of the Committee must be Independent as defined by the Canadian Securities Administrators and such other rules or guidelines as may be applicable from time to time.

The Committee shall determine its own organisation and procedure, except as provided in the By-Laws of the Corporation or as may be otherwise determined by the Board of Directors.

2. Tenure and Office

All members of the Committee shall be appointed by the Board of Directors. The Board of Directors may remove from office any members of the Committee, with or without cause. Any vacancy in the membership of the Committee may be filled by the Board of Directors. All members of the Committee shall cease to be in office at the close of each annual meeting of the shareholders.

3. Powers

The Committee is responsible for overseeing the implementation of and compliance with, effective corporate governance rules, principals and policies (together “Corporate Governance Guidelines”), including, without limiting the generality of the foregoing, the following:

- Establishing Corporate Governance Guidelines applicable to the Corporation;
- Overseeing the Corporation’s compliance with Corporate Governance Guidelines and recommending modifications as applicable;
- Reviewing the Corporation’s annual corporate governance disclosure in its Management Proxy Circular before submission to the Board for approval;
- Monitoring the size of the Board to favour effective and timely decision making;
- Monitoring the composition of the Board and establishing the competencies, skills and experience (together, “Criteria”) sought by the Board (regardless of whether candidates are proposed by the Board, shareholders or other third parties), taking into consideration the Corporation’s current composition, (skills, experience, independence, diversity, proportion, etc.), need for refreshment and future requirements;
- Developing a process for recruiting and selecting suitable Board candidates who meet the established Criteria;
- Identifying candidates qualified to become Board members for nomination at the next annual or special meeting of shareholders, or as may be required from time to time;
- Ensuring new Directors receive comprehensive orientation to the Board and that an appropriate continuing education program is made available to all Directors;
- Assessing, on an annual basis, the independence, eligibility and availability of Directors who are standing for re-election; and
- Ensuring that processes are in place to annually evaluate the performance of the Committee.

4. External Advisors

As appropriate, the Committee may retain independent advisors such as outside counsel, experts, and search firms to assist in carrying out its responsibilities.

5. Signed resolution

A resolution in writing signed by all members of the Committee entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee. A copy of every resolution referred to in the paragraph shall be kept with the minutes of the meetings of the Committee.

6. Chair, quorum and procedure

The Committee shall have the power to appoint a Chair and a Vice-Chair, to fix its quorum, which quorum shall consist of not less than a majority of its members, and to determine its procedure.

7. Meetings

Meetings of the Committee may be held at the registered office of the Corporation or at such places within or without Canada as the Committee may from time to time determine, including by teleconference. Meetings of the Committee may be called by or by the order of the President of the Corporation, the Chair of the Board, the Chair of the Committee, or any two (2) members thereof. The Committee shall meet regularly as required, but not less than once per quarter.

8. Records and Reports

The Committee shall keep such records as it may deem necessary, of its proceedings, and shall report regularly its activities and recommendations to the Board of Directors for approval.

Reviewed and approved by the Board of Directors on November 6, 2019.