



## **CHARTER OF THE BOARD OF DIRECTORS**

(Adopted by the Board of Directors, July 9, 2013; revised and reapproved November 8, 2018)

### **I. PURPOSE**

The Board of Directors (the "Board") of Noront Resources Ltd. ("Noront") is elected by Noront's shareholders to supervise the management of the business and affairs of Noront.

The Board monitors the manner in which Noront conducts its business as well as the senior management responsible for the day-to-day operations of Noront. It approves Noront's key policies, assesses their implementation by management and reviews the results.

The prime objective of the Board is to oversee the creation, enhancement and preservation of shareholder value and to ensure that Noront is managed in the best interest of its shareholders while taking into account the interests of other stakeholders.

### **II. RESPONSIBILITIES AND POWERS**

Directors are expected to make reasonable efforts to attend all Board meetings and to review materials distributed to them in advance of Board meetings.

In addition to statutory responsibilities, the Board, either directly or through one of its committees, assumes responsibility for:

#### **Appointment, Development and Compensation of Management**

- Appointing the Chief Executive Officer ("CEO"), setting forth the position description, as well as planning for the succession of the CEO with the assistance of the Compensation, Governance and Nomination Committee.
- Appointing senior officers in addition to the CEO, as well as planning for their succession, with the assistance of the Compensation, Governance and Nomination Committee.
- Evaluating the performance and determining the compensation of the CEO and other senior officers, with the assistance of the Compensation, Governance and Nomination Committee.
- Ensuring that the compensation of the CEO and other senior officers is competitive and measured according to appropriate industry benchmarks.
- Ensuring that the Board's expectations of management are understood.
- Satisfying itself, to the extent feasible, as to the integrity of the CEO and other senior officers, and that the CEO and other senior officers maintain a culture of integrity throughout Noront.

### **Strategy and Risk**

- Adopting a strategic planning process and thereafter reviewing and, where appropriate, approving, annually, a strategic plan and a budget which considers, among other things, the opportunities and risks of the business (all of which are developed at first by management), and monitoring Noront's performance with reference to the adopted budget and strategic plan. Overseeing a process for identifying the principal risks of Noront's business, ensuring the implementation of appropriate controls, measures and systems to manage these risks, and reviewing at least annually any public disclosure of risks.
- Overseeing and monitoring, directly or through one or more committees, progress in permitting, project development, government relations and relations with First Nations and other stakeholders, in light of the strategic objectives and risks of the business.
- Approving unbudgeted capital expenditures, or significant divestitures, as well as acquisitions where environmental or other liabilities exist, and which could result in significant exposure to Noront.

### **Finance, Disclosure and Compliance**

- Reviewing and approving major financings, capital expenditures and allocation of resources.
- Overseeing, with the assistance of the Audit Committee, internal controls, management information systems, the quality and integrity of Noront's accounting and financial reporting systems, and disclosure controls and procedures.
- Overseeing, with the assistance of the Audit Committee, the process for evaluating the adequacy of internal controls, procedures for financial reporting and disclosure controls and procedures, and satisfying itself as to the adequacy of such process.
- Reviewing and approving content of the principal communications by Noront to its shareholders and the public, such as quarterly and annual financial statements and management's discussion and analysis, annual information form, information circulars, prospectuses and other similar documents which may be issued and distributed, provided that the quarterly financial statements and related management's discussion and analysis and earnings press releases and any other public disclosure document containing financial information may be reviewed and approved by the Audit Committee instead of the Board.

## Governance

- Ensuring, with the assistance of the Compensation, Governance and Nomination Committee, that appropriate structures and procedures are in place so that the Board and its committees can function independently of management and in accordance with sound corporate governance practices.
- Reviewing and approving key policy statements developed by management on various issues such as ethics, regulatory compliance, protection of environment, sustainable development, health and safety and communications with shareholders, other stakeholders and the general public.
- Ensuring that all appropriate matters come before the Board in a timely and effective manner and that the Board is kept informed of shareholder feedback.
- Discussing and developing Noront's approach to corporate governance issues in general, with the involvement of the Compensation, Governance and Nomination Committee.
- Conducting annually, with the assistance of the Compensation, Governance and Nomination Committee, a review of Board practices and the Board's and committees' performance (including director's individual contributions), to ascertain that the Board, its committees and the directors are capable of carrying out and do carry out their roles effectively.
- Ensuring the adequacy and form of the compensation of non-executive directors considering the responsibilities and risks involved in being an effective director.
- Determining, with the assistance of the Compensation, Governance and Nomination Committee, in light of the opportunities and risks facing Noront, what competencies, skills and personal qualities the Board should seek in recruiting new Board members, and the appropriate size of the Board to facilitate effective decision making.
- Determining, annually, with the Compensation, Governance and Nomination Committee, the independence of each member of the Board as such term is defined by applicable laws and regulations, including rules and guidelines of stock exchanges to which Noront is subject.
- Determining annually, with the Audit Committee, if each member of the Audit Committee is "financially literate" as such term is defined under applicable laws and regulations including rules and guidelines of stock exchanges to which Noront is subject.
- Selecting, with the assistance of the Compensation, Governance and Nomination Committee, nominees for election as directors.

- Selecting the Chairman of the Board and ensuring that the director appointed as Chairman of the Board is and remains independent.
- Ensuring, with the assistance of the Compensation, Governance and Nomination Committee, that new directors have a good understanding of their role and responsibilities and of the contribution expected of them (including as regards attendance at, and preparation for, meetings), and that they are provided with adequate education and orientation as regards Noront, its business and activities.
- Monitoring, directly or through one of its committees, compliance with all codes of ethics and compliance with laws.
- Considering the means by which stakeholders can communicate with the members of the Board (including independent directors).

#### **Health, Safety, Environment and Sustainability**

- Discussing and developing the Corporation's approach to the work, human and physical environments in general, with the assistance of the Environmental, Health, Safety and Sustainability Committee.
- Discussing and developing the Corporation's approach to sustainable development, with the assistance of the Environmental, Health, Safety and Sustainability Committee.

### **III. CHARTER**

The Compensation, Governance and Nomination Committee shall periodically review this Charter and recommend appropriate changes to the Board.