



**ACLARA RESOURCES INC.
BOARD MANDATE**

1. Introduction

The members of the board of directors (respectively, the “**Directors**” and the “**Board**”) of Aclara Resources Inc. (the “**Company**”) are elected by the shareholders of the Company and are responsible for the stewardship of the Company. The purpose of this mandate (the “**Board Mandate**”) is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

Certain aspects of the composition and organization of the Board are prescribed and/or governed by the *Business Corporations Act* (British Columbia) and the constating documents of the Company, and applicable agreements, including the investor rights agreement between the Company and Hochschild Mining Holdings Limited and Pelham Investment Corporation (the “**Investor Rights Agreement**”). Certain of the provisions of the Board Mandate may be modified or superseded by the provisions of the Investor Rights Agreement. In the event of a conflict between this Board Mandate and the Investor Rights Agreement, the Investor Rights Agreement shall prevail.

2. Chairman

The chair of the Board (the “**Chairman**”) shall be appointed by the Board.

3. Board Size

The constating documents of the Company provide that the Board shall be comprised of a minimum of three (3) Directors and a maximum of fifteen (15) Directors. The Board shall periodically review its size in light of its duties and responsibilities from time to time.

4. Independence

- (a) The Board shall be comprised of a minimum of 3 (three) independent Directors. A Director shall be considered independent if he or she would be considered independent for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.
- (b) A majority of the Board’s independent Directors shall appoint an independent lead Director (the “**Lead Independent Director**”) from among the Directors, who shall serve for such term as the Board may determine. If the Company has a non-executive Chairman, then the role of the Lead Independent Director shall be filled by the non-executive Chairman. The Lead Independent Director shall chair any meetings of the independent Directors and assume such other responsibilities as the independent Directors may designate in accordance with any applicable position descriptions or other applicable guidelines that may be adopted by the Board from time to time. The Lead Independent Director may be removed at any time at the discretion of the Board.

5. Role and Responsibilities of the Board

The Board is responsible for supervising the management of the business and affairs of the Company and is expected to focus on guidance and strategic oversight with a view to increasing shareholder value.

In accordance with the *Business Corporations Act* (British Columbia), in discharging his or her duties, each Director must act honestly and in good faith, with a view to the best interests of the Company. Each Director must also exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

- (a) The Chairman shall be responsible for establishing or causing to be established the agenda for each Board meeting, and for ensuring that regular minutes of Board proceedings are kept and circulated on a timely basis for review and approval.
- (b) The Board may invite, at its discretion, any other individuals to attend its meetings. Senior executives of the Company shall attend a meeting if invited by the Board.

6. Delegations and Approval Authorities

- (a) The Board shall appoint the chief executive officer of the Company (the “**CEO**”) and delegate to the CEO and other senior executives the authority over the day to day management of the business and affairs of the Company.
- (b) The Board may delegate certain matters it is responsible for to the committees of the Board, currently consisting of the Audit Committee, and the Compensation, Nominating and Corporate Governance Committee (the “**CNCG Committee**”), and the Sustainability Committee (the “**Sustainability Committee**”). The Board may appoint other committees, as it deems appropriate, subject to compliance with the Investor Rights Agreement and to the extent permissible under applicable law. The Board will, however, retain its oversight function and ultimate responsibility for such matters and associated delegated responsibilities.

7. Strategic Planning Process and Risk Management

- (a) The Board shall adopt a strategic planning process to establish objectives and goals for the Company’s business and shall review, approve and modify as appropriate the strategies proposed by senior executives to achieve such objectives and goals. The Board shall review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Company’s business and affairs.
- (b) The Board, in conjunction with management, shall be responsible to identify the principal risks of the Company’s business and oversee management’s implementation of appropriate systems to seek to effectively monitor, manage and mitigate the impact of such risks. Pursuant to its duty to oversee the implementation of effective risk management policies and procedures, the Board may delegate to applicable Board committees the responsibility for assessing and implementing appropriate policies and procedures to address specified risks, including delegation of financial and related risk management to the Audit Committee and delegation of risks associated with compensation policies and practices to the CNCG Committee.

8. Succession Planning, Appointment and Supervision of Senior Executives

- (a) The Board shall approve the corporate goals and objectives of the CEO and review the performance of the CEO against such corporate goals and objectives. The Board shall take steps to satisfy itself as to the integrity of the CEO and other senior executives of the Company and that the CEO and other senior executives create a culture of integrity throughout the organization.
- (b) The Board shall approve the succession plan for the Company, including the selection, appointment, supervision and evaluation of the senior executives of the Company, and shall also approve the compensation of the senior executives of the Company upon recommendation of the CNCG.

9. Financial Reporting and Internal Controls

The Board shall review and monitor, with the assistance of the Audit Committee, the adequacy and effectiveness of the Company's system of internal control over financial reporting, including any significant deficiencies or changes in internal control and the quality and integrity of the Company's external financial reporting processes.

10. Regulatory Filings

The Board shall approve applicable regulatory filings that require or are advisable for the Board to approve, which the Board may delegate in accordance with Section 7(b) of this mandate. These include, but are not limited to, the annual audited financial statements, interim financial statements and related management's discussion and analysis accompanying such financial statements, management proxy circulars, annual information forms, offering documents and other applicable disclosure.

11. Corporate Disclosure and Communications

The Board will seek to ensure that corporate disclosure of the Company complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed. In addition, the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues.

12. Corporate Policies

The Board shall adopt and periodically review policies and procedures designed to ensure that the Company and its Directors, officers and employees comply with all applicable laws, rules and regulations and conduct the Company's business ethically and with honesty and integrity.

13. Review of Mandate

The Board may, from time to time, permit departures from the terms of this Board Mandate, either prospectively or retrospectively. This Board Mandate is not intended to give rise to civil liability on the part of the Company or its Directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

The Board may review and recommend changes to the Board Mandate from time to time and the CNCG Committee may periodically review and assess the adequacy of this mandate and recommend any proposed changes to the Board for consideration.

Dated: December 2, 2021

Approved by: Board of Directors