



## MANDATE OF THE BOARD OF KARBONATE MINERALS CORP INC.

### GENERAL

The shareholders elect the directors who are accountable for managing the business and affairs of Karbonate Minerals Corp Inc. ("Karbonate Minerals Corp" or the "Corporation"). The Board of Directors (the "Board") fulfills this responsibility by evaluating and approving the Corporation's strategic planning and organizational structure, and overseeing management to ensure they align with and protect the Corporation's business and underlying values.

### COMPOSITION

The Board of Karbonate Minerals Corp Inc ("Karbonate Minerals Corp" or "the Corporation") believes that strong corporate governance is promoted when the board of directors comprises of highly qualified individuals from diverse backgrounds that reflect the changing demographics of the markets where the Corporation operates. When considering recommendations for nomination to the Board, the Board considers diversity criteria, including gender, age, ethnicity, and geographic background, and candidates with the required expertise based on their experience, functional expertise, and personal skills and qualities. The Corporation does not support the use of quotas to promote diversity and recruitment and promotion of employees and Directors will be based on their ability and contributions.

The Directors of the Corporation should possess skills and competencies that are necessary to enable the Board and Board committees to effectively discharge their duties and responsibilities and relevant to the Corporation's activities.

The majority of the directors of the Corporation should be independent directors in accordance with applicable securities laws and stock exchange policies. The Board is committed to setting measurable objectives for the long-term goal of improving gender representation across all levels of the organization, subject to the size and operations of the Corporation. The Board will provide a summary of the Corporation's progress towards achieving the measurable objectives set in this Policy in the Annual Report and disclose the measurable objectives set under this Policy for the subsequent financial year.



The Board does not believe in setting term limits for directors since they could result in the loss of Directors who have significant insight into the Corporation and its operations and possess institutional memory that benefits the Board and the Corporation's stakeholders. The Board may exercise discretion to introduce maximum terms or mandatory retirement where it considers such a limitation beneficial to the Corporation and its stakeholders.

The Corporate Governance and Nominating ("CG&N") Committee of the Board will recommend candidates to the Board for election or appointment as Directors, taking into account the Board's conclusions regarding the appropriate size and composition of the Board and Board committees, the competencies and skills required to enable the Board and Board Committees to discharge their responsibilities, and the competencies and skills of the current Board, subject to the limitations specified herein.

Directors should not serve on the board of a regulatory body with oversight of the Corporation. They should ensure that membership on other boards or committees does not impair their time and availability for their commitment to Karbonate Minerals Corp or their ability to exercise their fiduciary duties as directors. Directors should inform the chair of the CG&N Committee and the CEO of the Corporation before accepting membership on other public company boards of directors or any audit committee or other significant committee assignment on any other board of directors or establishing other significant relationships with businesses, institutions, governmental units, or regulatory entities, particularly those that may result in significant time commitments or a change in the director's relationship to the Corporation.

The CEO of the Corporation should not serve on the board of any other public company without the prior approval of the CG&N Committee.

The Board approves the final choice of candidates, and the shareholders of the Corporation elect the Directors annually.

The Lead Director is elected annually at the first meeting of the Board following the shareholders' meeting. The Chair typically fills this role. If the Chair is an employee of the Corporation, the non-management directors will choose an independent director to perform the duties of a Lead Director, who will chair regular meetings of the non-management directors and undertake other responsibilities that the non-management directors have assigned.

**The Secretary of the Corporation serves as the secretary of the Board.**

Directors are expected to comply with the Corporation's Code of Business Conduct and Ethics and its Directors' Code of Ethics.



## MEETINGS, PROCEEDINGS AND ADMINISTRATION

The Board shall require a majority of directors to be present for the transaction of business at any meeting, or such other number of directors as may be determined by the Board in accordance with the articles of incorporation of the Corporation.

The Board must convene a minimum of four scheduled meetings annually, and the Chair and CEO are responsible for developing the agenda for each meeting.

Committee meetings can be held through various mediums, including in-person, video-conference, telephone, or any combination of the aforementioned.

Independent directors are required to meet at the conclusion of each Board meeting without the presence of management and non-independent directors.

Resolutions at Board meetings must be approved by a majority of the votes cast on the resolution.

Regularly scheduled Board meetings will typically proceed in the following order: reviewing and approving minutes from the preceding meeting, addressing business arising from the previous minutes, reporting on committee activities, providing updates from the President and CEO, discussing other business, scheduling the next meeting, holding an in-camera session with solely independent directors, and adjourning.

A secretary will be appointed for each Board and committee meeting, and minutes will be distributed in due course after the meeting. The Secretary typically fulfills this role.

Minutes from committee meetings will be available to each Board member upon request.

## AUTHORITY AND RESPONSIBILITIES

- The Board may exercise its powers at a meeting if notice has been given and a quorum is present. In appropriate circumstances, the Board may also exercise its powers through a written resolution signed by all directors.
- The Board has the authority to retain and compensate independent legal counsel and other advisers if it deems it necessary.
- The Board may invite officers, employees, and external experts to attend or participate in its meetings and proceedings if it deems it necessary.



- The Board and directors have unrestricted access to the Secretary, outside auditors, and legal counsel for advice and services.
- The Board delegates the responsibility for the Corporation's day-to-day management to senior officers while overseeing the management of the Corporation's business. The Board discharges its duties through its committees, including the Audit, Compensation, CG&N, and Health, Safety and Sustainability Committees. The Board may also appoint ad hoc committees to address short-term issues. The primary roles of the Board are to oversee corporate performance and provide quality, depth, and continuity of management to meet the Corporation's strategic objectives.
- The Board's responsibilities include selecting and appointing, evaluating, and if necessary, terminating the CEO, ensuring the integrity of the CEO and executive officers, and promoting a culture of integrity throughout the organization. The Board adopts and approves strategic plans, monitors performance against plans, and reviews the Corporation's long-term strategy annually. The Board also approves annual budgets, capital expenditures, and corporate objectives and monitors performance against them. The Board reviews policies and procedures to identify business risks and ensures systems and actions are in place to monitor them. The Board approves the audited annual financial statements, MD&A, annual information form, and other filings required under applicable securities laws. The Board assesses the contribution of the Board, committees, and all directors annually and plans for succession of the Board. The Board reviews and approves committee chair nominees and assesses the effectiveness of the Board and each director. The Board arranges formal orientation programs for new directors and considers diversity in the selection criteria for new Board members. The Board establishes and maintains an appropriate system of corporate governance and approves and monitors compliance with significant policies and procedures. The Board proactively monitors the Corporation's performance in meeting diversity initiatives and ensuring a comprehensive compensation strategy is maintained. The Board ensures an adequate system of internal control is maintained, establishes a communication and disclosure policy, and provides oversight of environmental matters. The Board reviews and approves all amendments or departures proposed by management from established strategy, budgets, or matters of policy, which diverge from the ordinary course of business. The Board ensures a process is established that provides for management succession planning and assesses the charters of Board committees annually. The Board adheres to all other Board responsibilities set out in the Corporation's by-laws and other statutory and regulatory requirements and enhances the Corporation's reputation, goodwill, and image.



- The Chair of the Board provides leadership to the Board and oversees its logistics. The Chair chairs meetings of the Board and ensures that the Board meets regularly, at least quarterly. The Chair establishes the agenda for Board meetings and may call special meetings when necessary. The Chair ensures that the Board receives appropriate and timely information to fulfill its duties and facilitates communication between the Board and senior management. The Chair also represents the Corporation to shareholders, stakeholders, and the public.
- Directors are expected to fulfill certain responsibilities, including but not limited to:
- Maintaining a high attendance record at meetings of the Board and its committees, with the option to participate via telephone or video conference.
- Reviewing materials distributed prior to meetings and being prepared to discuss presented issues. Directors are encouraged to contact appropriate executives to ask questions and discuss agenda items beforehand.
- Possessing sufficient knowledge about Karbonate Minerals Corp's business, including financial statements and risks, and actively participating in Board and committee discussions.
- Maintaining open communication with the CEO and contacting them at any time, while exercising judgment to ensure that communication does not disrupt corporation operations.
- Keeping the proceedings and deliberations of the Board and its committees confidential.
- Management at Karbonate Minerals Corp is expected to:
- Report on the corporation's performance, management's concerns, and any other relevant matters at the Board's request. Significant developments, changes, transactions, or proposals must be promptly reported to the Chair.
- Prepare and present to the Board a business plan and budget annually (or more frequently if needed) and report regularly on performance against the plan.
- Review and update the corporation's strategic plan annually (or more frequently if needed) and report on its implementation in light of evolving conditions.
- Regularly report to the Board on the corporation's business and any matters of material consequence for the company and its shareholders.
- Communicate for the corporation in accordance with the Company's Disclosure Policy.
- Comply with any additional expectations developed and communicated during the annual strategic planning and budgeting process, as well as during regular Board and committee meetings.



- Implement policies and practices to achieve diversity initiatives determined by the Board and report progress and achievement to the Board.
- Foster a work environment that values and utilizes the contributions of employees with diverse backgrounds, experiences, and perspectives.
- Consult the Board on all matters requiring Board approval by law.
  1. considering diversity in the selection criteria of new Board members;
  2. establishing and maintaining an appropriate system of corporate governance including practices to ensure the Board functions effectively and independently of management, including reserving a portion of all Board and its committee meetings for in camera discussions without management present;
  3. approving and monitoring compliance with significant policies and procedures by which the Corporation is operated;
  4. proactively monitoring the Corporation's performance in meeting standards and objectives related to those diversity initiatives established by the Board, and progress in achieving them;
  5. ensuring that a comprehensive compensation strategy is maintained which includes competitive industry positioning, weighting of compensation elements and relationship of compensation to performance;
  6. ensuring that an adequate system of internal control is maintained to safeguard the Corporation's assets and the integrity of its financial and other reporting systems;
  7. ensuring that the Corporation has in place a communication and disclosure policy which supports the oversight of public communication and disclosure and enables disclosure controls in compliance with all legal and regulatory requirements and that such is reviewed at such intervals as the Board deems appropriate. Directors must adhere to the Corporation's disclosure policy;
  8. providing oversight of environmental matters;
  9. reviewing and considering for approval all amendments or departures proposed by management from established strategy, capital and operating budgets, or matters of policy, which diverge from the ordinary course of business;
  10. ensuring that a process is established that adequately provides for management succession planning, including the appointing, training, and monitoring of senior management;
  11. annually assessing the charters of Board committees and revising where necessary;
  12. adhering to all other Board responsibilities set out in the Corporation's by-laws and other statutory and regulatory requirements; and
  13. enhancing the reputation, goodwill and image of the Corporation.

Responsibilities of the Chair of the Board include but are not limited to:



1. providing leadership to the Board with respect to its functions as described in this Mandate and as otherwise may be appropriate, including overseeing the logistics of the operations of the Board;
2. chairing meetings of the Board, unless not present including in camera sessions;
3. ensuring that the Board meets on a regular basis and at least quarterly;
4. establishing a calendar for holding meetings of the Board;
5. establishing the agenda for each meeting of the Board, with input from other Board members and any other parties as applicable;
6. ensuring that Board materials are available to any director on request;
7. ensuring that the members of the Board understand and discharge their duties and obligations;
8. fostering ethical and responsible decision making by the Board and its individual members;
9. overseeing the structure, composition, membership and activities of the Board;
10. ensuring that resources and expertise are available to the Board so that it may conduct its work effectively and efficiently;
11. pre-approving work to be undertaken for the Board by consultants;
12. facilitating effective communication between members of the Board and management;
13. attending each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair;
14. communicate with directors between meetings;
15. attend key functions of the Corporation;
16. meet with major shareholder groups; and
17. act as Chair at any annual and, if applicable, special meeting of shareholders of the Corporation.

Expectations of Directors include but are not limited to:


- maintaining a high attendance record at meetings of the Board and the committees of which they are members. Attendance by telephone or video conference may be used to facilitate a director's attendance;
- reviewing the materials circulated in advance of meetings of the Board and its committees and being prepared to discuss the issues presented. Directors are encouraged to contact the Chair of the Board, the CEO and any other appropriate executive officer(s) to ask questions and discuss agenda items prior to meetings;
- being sufficiently knowledgeable of the business of Karbonate Minerals Corp, including its financial statements, and the risks it faces, ensuring active and effective participation in the deliberations of the Board and of each committee on which he or she serves.
- freely to contact the CEO at any time to discuss any aspect of the Corporation's business. Directors should use their judgment to ensure that any such contact is not disruptive to the operations of the Corporation. The Board expects that there will be frequent opportunities for Directors to meet with the CEO in meetings of the Board and committees, or in other formal or informal settings.



- Maintaining the confidentiality of the proceedings and deliberations of the Board and its committees. Each Director will maintain the confidentiality of information received in connection with his or her service as a director.

#### Expectations of Management of Karbonate Minerals Corp

1. at the request of the Board, report on the Corporation's performance, management's concerns and any other matter the Board or its Chair may deem appropriate. Management must promptly report to the Chair any significant developments, changes, transactions or proposals regarding Karbonate Minerals Corp.
2. prepare and present to the Board annually (or more frequently if appropriate) a business plan and budget, and report regularly to the Board on the Corporation's performance against the business plan and budget;
3. review and update annually (or more frequently if appropriate) the Corporation's strategic plan, and report regularly to the Board on the implementation of the strategic plan in light of evolving conditions;
4. report regularly to the Board on the Corporation's business and affairs and on any matters of material consequence for the Company and its shareholders;
5. speak for the Corporation in its communications with shareholders and the public in accordance with the Company's Disclosure Policy;
6. comply with any additional expectations that are developed and communicated during the annual strategic planning and budgeting process and during regular Board and committee meetings;
7. implement policies and practices to achieving diversity initiatives determined by the Board and report to the Board on the progress toward and achievement of such diversity initiatives;
8. promote a work environment that values and utilizes the contributions of employees with a variety of backgrounds, experiences and perspectives through awareness of the benefits of workforce diversity and successful management of diversity; and
9. consult the Board with respect to all matters which by law require Board approval.



**John Kearney**

*Director*

**Karbonate Minerals Corp.**